



SOLDIERS

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RETIREES



**Army**  
**Morale, Welfare, and Recreation**

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**Fiscal Year 2001 Annual Report**



# Preface

This is the 10<sup>th</sup> annual report regarding the Army's Morale, Welfare, and Recreation programs and related activities.

This report reflects operating results for Fiscal Year 2001. It is designed to provide an overview of these programs to our constituent commanders and customers who are the recipients of these services and from whom revenues are derived.

The nonappropriated fund financial data reported is compiled from audited and unaudited operating results of field operating and Headquarters NAF activities. The U.S. Army Audit Agency and command Internal Review elements periodically test functional financial components of field NAF activities. Audits of Headquarters nonappropriated funds are conducted annually by commercial auditors.

# Introduction

Many things have changed since last year. First and foremost, our nation is at war. Soldiers are deployed to prosecute that war, to secure our installations and military facilities, and to support homeland security. Soldiers are also deployed in a host of other missions from humanitarian assistance and disaster relief, to peacekeeping. Every day our soldiers' deeds in far-flung lands illustrate the Army core values of loyalty, duty, respect, selfless service, honor, integrity, and personal courage. Every day the families of those soldiers and the Army civilians that support them exhibit the same dedication to service.

Other things have not changed. The Army continues to transform itself, an evolutionary process that will take years of focused effort. Through all of this, we continue to provide for the well-being of soldiers and families. Army MWR programs are critical partners in well-being and readiness for the transforming Army. With the nation at war, MWR is even more important.

After the September 11<sup>th</sup> terrorist attacks on our Nation, MWR professionals across the Army mobilized programs to accommodate heightened security and increased operating tempo. In the National Capital Region, Fort Myer's Army Community Service established a Family Assistance Center within hours of the attack on the Pentagon. Later, the Community and Family Support Center and Fort Myer's ACS team led the way to establish the Joint Pentagon Family Assistance Center. With MWR already supporting more than 9,000 service members deployed to the Balkans with fitness, library, and recreation services, now we are ramping up to support soldiers deployed to Operation Enduring Freedom. We have sent Force Provider recreation modules and paperback book kits to the theater, pre-positioned other kits in the region, and plan to distribute small unit sports and recreation kits to forward-deployed units. Since 1995, 200 MWR personnel have voluntarily deployed "downrange" to promote physical fitness and provide recreation, social, and other support services. MWR operations are a readiness enabler for our warfighters. We will continue to seek new and innovative ways to sustain this readiness enabler.

In conjunction with major Army Commands, we are developing plans to manage MWR under the Transformation of Installation Management initiative. On 1 October 2002, the Army will implement a new regional organizational structure that will focus on centralized management of installations. This structure will strive for equity among installations and enable the Army to resource to standards. Army MWR is included in the installation management services that will transition to the regions. We welcome this initiative.

Nonappropriated fund financial results in fiscal year 2001 exceeded fiscal year 2000's. We expect to do well in 2002, but not as well as we did in the past two years. MWR operations produced net income before depreciation of \$117.1M, or 14.7 percent of net revenue (adjusted to remove MWR Utilization, Support, and Accountability funding). We exceeded the minimum standard of eight percent set by the MWR Board of Directors, largely due to a \$3.3M reduction in overhead expense between FY00 and FY01. However, we are projecting NIBD of between \$80M and \$90M in FY02. Our projections assume no increase in the use of NAF to perform appropriated fund missions and no reductions to the approved levels of APF support. Our senior Army leaders are fully aware of this situation.

In keeping with the Army vision of People, Readiness, and Transformation, MWR has aligned strategic planning efforts with the 1993 Government Performance Results Act and the Total Army Quality program by using criteria from the Army Performance Improvement and Baldrige National Quality Award programs. In partnership with the Alliance for Continuous Improvement, MWR validated a new strategic action plan. The BoD approved new MWR goals and objectives to better define our millennium corporate strategic direction. Through a continuous improvement planning cycle, MWR will communicate its value to soldiers, family members, retirees, DoD civilians, and our civilian communities at large.

Army MWR's principal missions are to support Operation Enduring Freedom/Operation Noble Eagle and the ongoing contingency operations in Bosnia and Kosovo. We expect Army operating tempo to remain high in the future. Soldiers and families need MWR programs to relieve stress, reduce the conflict between duty and parental responsibilities, and help maintain contact between deployed soldiers and their families. Installations have activated family assistance centers and expanded services in programs from fitness to child and youth to clubs to match the increases in operating tempo across the Army. This level of increased service has a cost. Our senior Army leaders have been made aware that resourcing MWR programs with contingency operations funds remains a priority for base operations at home and in supporting the global war on terrorism. We must quantify the effect of operational and funding decisions on MWR's ability to serve soldiers and their families.

Army MWR has gone from success to success over the past several years. Our reasons for success are no secret. We developed and enforced standards, reduced overhead at every opportunity, listened to our soldiers and families and provided the programs they deserve, institutionalized methods to respond to deployments, and have taken every opportunity to remind leaders of MWR's importance to readiness and well-being.

Our mission is paramount. Let us maintain vigilance at home and abroad. Our country is at war against terrorism, and MWR plays a key supporting role. Thank you for keeping pace with MWR mission requirements and for the great job you are all doing always.

*First Choice!*



*Antonio M. Taguba*  
Antonio M. Taguba  
Brigadier General, U.S. Army  
Commander  
U.S. Army Community and Family Support Center



# Notes

Dollar figures used in the text and charts are rounded to the nearest \$100 thousand.

Throughout this report, "\$M" designates millions, and "\$K" designates thousands.

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# Contents

<b>EXECUTIVE SUMMARY</b>	<b>6</b>
<ul style="list-style-type: none"> <li>Congressional Support</li> <li>DOD and Army Leadership</li> <li>Financial Overview</li> <li>Construction</li> <li>Future Plans</li> </ul>	<ul style="list-style-type: none"> <li>6</li> <li>6</li> <li>10</li> <li>11</li> <li>11</li> </ul>
<b>AUDITS</b>	<b>12</b>
<ul style="list-style-type: none"> <li>Process</li> <li>Work Years</li> </ul>	<ul style="list-style-type: none"> <li>12</li> <li>13</li> </ul>
<b>FINANCIALS</b>	<b>14</b>
<ul style="list-style-type: none"> <li>Total MWR Operating Funds</li> <li>Army Operating Funds</li> <li>Balance Sheet</li> <li>Income and Expense Statement</li> </ul>	<ul style="list-style-type: none"> <li>14</li> <li>16</li> <li>18</li> <li>19</li> </ul>
<b>WORKFORCE</b>	<b>20</b>
<ul style="list-style-type: none"> <li>White Plume Awards</li> <li>NAF Employee Benefits</li> <li>Career Development Programs</li> </ul>	<ul style="list-style-type: none"> <li>20</li> <li>21</li> <li>22</li> </ul>
<b>MANAGEMENT SUMMARIES</b>	<b>24</b>
<ul style="list-style-type: none"> <li>Family Programs <ul style="list-style-type: none"> <li>Child and Youth Services</li> <li>Army Community Service</li> </ul> </li> <li>Community Recreation <ul style="list-style-type: none"> <li>Entertainment</li> <li>World Class Athlete Program</li> <li>Sports and Fitness</li> <li>Community Recreation Centers</li> <li>Better Opportunities for Single Soldiers</li> <li>Information, Ticket, and Reservation</li> <li>Outdoor Recreation</li> <li>Libraries</li> <li>Arts and Crafts</li> <li>Automotive Skills</li> </ul> </li> <li>Business Programs <ul style="list-style-type: none"> <li>Food and Beverage Operations</li> <li>Golf</li> <li>Bowling</li> <li>Events</li> <li>Recycling</li> <li>Army Recreation Machine Program</li> <li>Armed Forces Recreation Centers</li> <li>Army Lodging</li> </ul> </li> <li>NAF Contracting</li> <li>Public-Private Ventures</li> <li>Strategic Communications <ul style="list-style-type: none"> <li>Marketing</li> <li>Corporate Sponsorship and Advertising</li> <li>Public Affairs</li> </ul> </li> <li>Management Information Systems</li> </ul>	<ul style="list-style-type: none"> <li>24</li> <li>25</li> <li>30</li> <li>31</li> <li>32</li> <li>32</li> <li>33</li> <li>33</li> <li>34</li> <li>34</li> <li>35</li> <li>35</li> <li>36</li> <li>36</li> <li>37</li> <li>38</li> <li>38</li> <li>39</li> <li>39</li> <li>40</li> <li>41</li> <li>41</li> <li>42</li> <li>42</li> <li>43</li> <li>43</li> </ul>

# Executive Summary

## CONGRESSIONAL SUPPORT

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The Congress has consistently supported Army Morale, Welfare, and Recreation programs, providing both operating and capital funding for the programs authorized appropriated funds. The Congress also identifies areas of interest, and the House Armed Services Committee has a special oversight panel for MWR charged with monitoring the services' programs and providing guidance.

At the April 2001 MWR Panel hearing, Chairman Congressman Roscoe Bartlett identified program standards as an area of interest to the panel. Chairman Bartlett noted in his remarks, "While funding levels are important to measure, any discussion of funding is of little value without a good understanding of the standard of service that should be provided on each base, and how that standard of service is defined by each service."

In his statement, BG Antonio Taguba, Commander of the U.S. Army Community and Family Support Center, reported on Army MWR's implementation of baseline standards. General Taguba noted, "Our development a few years ago of fiscal standards to help lower overhead and gain efficiencies continues to pay large dividends. Similarly, we believe establishment of program standards is essential, not only to help us meet our goal for consistent, predictable, quality programs across the board, but also to determine the resource requirements necessary to meet the standards. We began developing these program standards two years ago, and we are well on our way to seeing them adopted and accepted across the Army as the benchmark for how we deliver our MWR programs."

The Army's military construction request for FY02, sent to the Congress in January 2001, included \$55.7M for four fitness centers and \$19.4M for three child development centers. The Congress provided \$55.7M for four fitness centers (Wiesbaden, Bamberg, Camp Carroll, and Fort McNair) and \$22.9M for four child development centers (Wiesbaden, Fort Riley, Fort Meade, and a Congressional add at Rock Island Arsenal).

## DOD AND ARMY LEADERSHIP

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### Policy Update

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Army Regulation 215-1, Morale, Welfare, and Recreation Programs and Nonappropriated Fund Instrumentalities, contains policies, procedures, and responsibilities for Army MWR programs, lodging programs, and NAFIs (including some DoD NAFIs). Revision of AR 215-1 began in 1999, and comments from the field and Secretariat have been incorporated into a draft to be sent to the Office of The Judge Advocate General for legal review in spring 2002. Publication is planned for fall 2002.

In 1999, the Secretary of Defense directed MWR programs to implement Executive Order 13058, "Protecting Federal Employees and the Public from Exposure to Tobacco Smoke in the Federal Workplace" by December 2002. The implementing Department of Defense Instruction directs that workers cannot be required to enter rooms where tobacco smoke is present and also directs that indoor smoking areas be enclosed and exhausted to the outside. Installations were advised of these requirements and letters were sent to employee labor unions advising them of personnel policy revisions needed to implement the DoDI. The Assistant Secretary of the Army for Manpower and Reserve Affairs (Civilian Personnel Policy) will incorporate policy and facility requirements into Army regulations.

The Assistant Secretary of Defense for Force Management Policy has disseminated new policy for MWR support to military missions in foreign countries (including security assistance and defense attache offices, military liaison teams, and technical assistance and field training personnel). Effective in FY03 support will be provided by area of responsibility instead of by specific country: the Army for European Command, Southern Command (to include Mexico), and Korea; the Air Force for Central Command, Russia, and Canada; and the Navy for Pacific Command (minus Korea) and Joint Forces Command.

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**“Every day young men and women don our nation’s uniforms to preserve our way of life. With little fanfare and much sacrifice, they steadfastly serve their country — enduring hardship, long separations from family, and personal risk to secure our freedom and our prosperity. America today enjoys a vibrant standard of living that is the envy of the world. At significant personal sacrifice, American soldiers guarantee that way of life by serving at home and abroad, on point for the nation.”**

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Gen. Eric K. Shinseki, CSA  
Remarks at the MacArthur Award Ceremony  
23 May 2001

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## MWR Board of Directors

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The MWR Board of Directors is composed of the Assistant Secretary of the Army for Manpower and Reserve Affairs; the four-star commanders of U.S. Forces Korea, U.S. Army Forces Command, U.S. Army Training and Doctrine Command, U.S. Army Europe and Seventh Army; U.S. Army Materiel Command; the U.S. Army Pacific commander; and the Sergeant Major of the Army. Major decisions in FY01 included:

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Changes to Commander's Mission Box >  
The BOD approved two new standards:

- » Appropriated Fund Execution:  
The former standard applied only to Category A programs and was evaluated on a “pass/fail” basis. The new standard applies to all direct APF support for MWR and family programs and measures execution at the end of 3<sup>rd</sup> and 4<sup>th</sup> quarters. Green ratings will equal 65 and 90 percent execution, respectively; amber at 60 and 80 percent; and red at less than 60 and less than 80 percent.
- » Club Net Income Before Depreciation:  
The Army MWR Strategic Action Plan required an FY01 NIBD standard for food (seven percent), bowling (16 percent), and golf (16 percent). The club standard was previously NIBD greater than zero. The new FY02 standard is eight percent NIBD as assessed by the installation club program. The food standard will be deleted once the club standard is effective.

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Armed Forces Recreation Center-Europe and Shades of Green Construction >

To finance construction of a new AFRC-Europe and expansion of the SOG, the BOD approved a strategy to seek a \$135M commercial loan with no cash from or liability to the Army Morale, Welfare, and Recreation Fund. When the projects are complete, AFRCs will pay debt service, fund capital purchase program minor construction needs, and could potentially contribute 20 percent of combined net income before depreciation to the AMWRF.

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Uniform Resource Expanded Program >  
UREP merges APF and NAF to provide MWR services (excluding Army Community Service) using NAF rules and procedures. The BOD approved proceeding with the development of an implementation plan, subject to final Army and DoD approval. Forecast to begin in FY04, UREP will require enacting legislation; a package has been forwarded by DoD to the Office of Management and Budget for review. Under UREP, there will be no forced conversions of APF General Schedule civilians to NAF.

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Career Management and Staffing Program >  
In development since January 1997, the CMSP's goal is to create a NAF personnel management system similar to the Officer Personnel Management System. The CMSP will encourage senior manager mobility by centralizing PCS and personal pay rate provisions, will promote selection of the most qualified candidates for vacancies, and will enable commanders to link pay with performance. Implementation will be phased starting with an interim plan for FY01-04 funded by \$2.8M from the AMWRF.

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Cash Mitigation Strategy >  
The BOD limited FY02 AMWRF-funded NAF major construction to \$5M, approved a MACOM self-funded NAFMC program of \$48.9M, increased the AFRC capital reinvestment assessment from 2 to 3 percent in FY02, and called for a construction process action team. CPMC guidance was revised from “MACOM CPMC may not exceed NIBD” to “Armywide CPMC and self-funded NAFMC payments may not exceed Armywide NIBD” in any one fiscal year. The October 2001 BOD will review options for AMWRF repayment of the field NAFI loan balance and changes to financial management parameters.

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Enterprise Management System >  
The BOD approved acquisition of an EMS expected to cost \$14.7M. The system will be funded by the AMWRF and the organizations that will benefit from EMS application.

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## Well-Being

The Army Well-Being Program was launched in September 2001 by the Army Well-Being Council of Colonels. The Army well-being program is an integral part of the Army Vision and the transformation of the Army as set forth by the Chief of Staff. Well-being is the human dimension of the Army transformation – the “personal, physical, material, mental, and spiritual state of Soldiers (active, reserve, guard, retirees, and veterans), civilians, and their families that contributes to their preparedness to perform the Army’s mission.” Well-being will integrate and synchronize processes, programs, issues, and initiatives across the Army to assist senior leaders in making decisions on priorities and funding. The Army’s well-being action plan is in final draft, and a laboratory test will be launched at selected installations in the spring of 2002. MWR and family programs are an integral part of well-being, and the USACFSC supports well-being initiatives.

## Installation Status Report

The Installation Status Report 2001 data call ran from January-May 2001. For ISR 1 (Facilities), the aggregate “Community” rating (most MWR and family program facilities) was assessed C3 for quality and C3 for quantity. The ISR 3 (Services) aggregate MWR rating was C2 for quality (no quantity rating). Some performance metrics used in MWR baseline standards were adopted for use in the ISR 3 at a July meeting attended by installation, MACOM, Office of the Assistant Chief of Staff for Installation Management, and USACFSC functional proponents. Commencing 2002, data from the annual baseline standards assessment for Army Community Service, Child and Youth Services, and Fitness, Libraries and Recreation will be top-loaded into the ISR 3 on behalf of installations.

## MWR Baseline Standards

Baseline standards ensure efficient use of funding by defining common installation resource requirements for key MWR/Family programs funded with APF. Annual installation assessments focus on staffing, availability, accreditation, and equipment. Standards define a “green”, “amber”, or “red” status for rated elements and identify funding needed to achieve a standard (in addition to actual FY execution).

The FY00 assessment identified a \$120M requirement to bring programs into compliance with standards. The USACFSC presented funding requirements to the Installation Program Evaluation Group that validated unfinanced requirements for Libraries, Fitness, and Recreation; to take child care to 80 percent of demand and youth to 35 percent of participation; and for ACS staffing. After the FY00 assessment, baseline standards adopted ISR Unit Status Report codes, refocused performance criteria on primary cost drivers, and standardized cost factors.

The FY01 assessment, with 130 installations reporting, identified a shortfall of \$153.6M in APF funding needed to improve red (C4) and amber (C3) program elements to green (C1/C2), a 22 percent increase from FY00. This shortfall is added to \$432M that MACOMs executed in FY01. The USACFSC continues to crosswalk assessments to future years’ defense programs to identify requirements that support baseline standards and prepare justifications for needed funding.



1st Lt. Thomas Babbett kisses his wife Brigdet and daughter Meg goodbye as elements of the 25th Infantry Division Light depart for Bosnia.

- Photograph by George F. Lee

## Demographics

The demographics of the Army’s soldiers and family members are at Figure 1-1.

Active Army Family Demographics			
	2000	2001	
Family Units	286,910	280,604	
Family Distribution	87 % 13 %	84 % 16 %	CONUS OCONUS
% Married	72 % 50 % 53 %	72 % 48 % 52 %	Officer Enlisted Total
Dual Military	5,141 22,138	5,036 21,201	Officer Enlisted
Single Parents	2,753 33,078	2,751 32,903	Officer Enlisted
Family Members	251,239 458,947 3,558 713,744	245,993 449,849 3,452 699,299	Spouses Children/Youth Parents/Other Total
Working Spouses	55 %	49 %	

Figure 1-1

## MWR Contingency Operations

For soldiers and commanders deployed around the globe in support of Army missions, MWR support is a priority. MWR sustains a ready force and provides relief from stress. More than 200 Army MWR civilian professionals have voluntarily served in the Balkans since 1995 to promote physical fitness, provide recreation, entertainment, sports and fitness programming, manage procurement, distribution and repair of equipment, and operate MWR facilities. Currently 38 DoD civilian MWR specialists in the Balkans manage multiple recreation programs at base camps and remote locations. Contracted local national employees supplement MWR specialists to allow for 24 hour operation of services and facilities.

A study conducted on behalf of the Senate Armed Services Committee concluded that Army quality of life services met or exceeded soldier expectations. The survey of soldiers in Bosnia, Kosovo, and Macedonia reported that the most important quality of life factors for soldiers were housing (62 percent), communication with family and friends back home (58 percent), food services (46 percent), and recreational facilities (27 percent). Over 96 percent of respondents were satisfied with MWR, and 66 percent used MWR activities and programs daily. The top five MWR activities were sports facilities (69 percent), recreation centers (40 percent), post exchanges (35 percent), rest and recuperation trips (21 percent), and commercial telephones (18 percent).



Scott Past (in bunny suit) leading the Bunny Run at Camp Bondsteel, Kosovo.  
- Photograph courtesy of USAREUR MWR

For Task Force Eagle (Bosnia), three primary base camps (Eagle, McGovern, and Comanche) offer formal recreation programs run by Army MWR professionals. MWR also supports six remote sites and Camp Connor. For Task Force Falcon (Kosovo), Army MWR supports two primary base camps (Bondsteel and Monteith) and US troops assigned to NATO HQ at Pristina, Kosovo and Sarajevo, Bosnia. Camp Able Sentry (Macedonia) is staffed with MWR specialists and serves as the support center for MWR in the Kosovo Force. Camps typically have fitness, aerobic and recreation equipment, running trails, ball fields, entertainment programs, free Internet access with VTC capability, libraries, TV viewing, and movie theaters.

In February 2001, the MWR BOD approved a program to support contingency operations with professional MWR personnel. The Army Emergency Essential Civilian MWR Program designates 100 MWR positions as emergency essential civilians. This number is based on a cadre of 25 positions to support a division-sized deployment. The distribution of the number of positions is in proportion to the MACOM/agency percentage of the Army's MWR civilian strength in the required series and grade. The MWR EECs are available for short term deployment for any contingency operation. Designation of positions is in progress.

## MWR Research

The USACFSC uses many channels to obtain demographic, social-psychological, and community findings. Significant quality of life findings are summarized below:

### Quality of Life >

According to the Fall 2000 Sample Survey of Military Personnel, satisfaction with MWR Programs remains high compared to 50 QOL areas such as availability of government housing, basic pay, or retirement benefits.

### Better Opportunities for Single Soldiers >

According to the Fall 2000 Sample Survey of Military Personnel, single soldier participants in the BOSS program have fun, develop esprit de corps, and are active in community service. Twelve percent of officers and 38 percent of enlisted respondents participate in installation BOSS programs and half of enlisted and officer participants were satisfied with their installation BOSS program.

### Community Recreation Centers >

The Spring 2000 SSMP reports that 61 percent of officers and 56 percent of enlisted personnel (or their family members) participated in Community Recreation Center programs or services in the last 12 months. The majority reported that expectations had been met and they were satisfied with the programs. Officers reported that they "had fun entertainment", "relaxed or lowered stress level", or "saved money". Enlisted personnel reported that they "had fun entertainment", "reduced boredom/loneliness", or "relaxed/lowered stress level". These findings will help the Army develop a benefits-based recreation program.

### Media Myths and Army QOL >

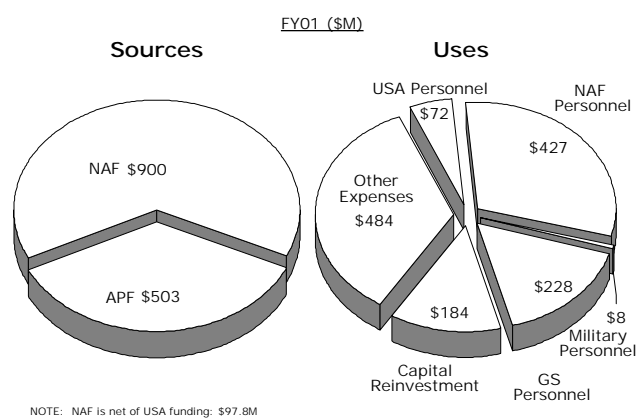
Research on Army families debunks media myths about the stability of Army marriage, family life, and child rearing. Army divorce rates are half of comparable civilian rates and have not increased in the 1990s. Soldier-initiated family abuse also decreased in the last decade due to family advocacy programs. Community MWR resources prevent or reduce violence against spouses and children. Army information and training programs (newcomers' briefings and Army Family Team Building) get soldiers and families settled at new duty stations, reduce PCS stress and lost duty time, and improve the ability of families to cope with serious problems.

### MWR and Readiness >

The USACFSC is updating a 5-year-old literature review to identify studies and databases linking MWR to readiness. The USACFSC is also comparing the Army with individual American states as a good place to raise children. Initial comparisons on ten indicators found that Army did better than virtually all states as the best place to raise children.

### Survey of Army Families IV >

A joint effort of the USACFSC and the U.S. Army Research Institute, the SAF provides a baseline with which to measure well-being initiatives and identify trends and emerging issues facing Army families. The SAF IV was mailed to a stratified random sample of spouses of active duty soldiers in April 2001. Survey results will be available in FY02.



## MWR is Big Business - \$1.4 Billion

Figure 1-2

DOD Fiscal Standards: Metrics		Army Actual					APF as Percentage of Total Expenses
Army MWR Operating Funds		FY 97	FY 98	FY 99	FY 00	FY 01	DoD Metric
							Minimum
Category A		87%	88%	88%	90%	90%	85%
Category B		64%	61%	64%	65%	66%	65%

Figure 1-3

## Critical Financial Indicators

### Army MWR Operating Funds

as of February 2002

	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06
% AMWRF Loan to Field NAFI Deposits	56%	49%	56%	53%	43%	32%	20%
Field NAFI Cash to Debt Ratio	0.9:1	1.2:1	0.9:1	0.8:1	0.9:1	1.1:1	1.2:1
Total Army NAFI Cash to Debt Ratio	0.7:1	0.9:1	0.7:1	0.7:1	0.8:1	0.9:1	1.0:1

Figure 1-4

## FINANCIAL OVERVIEW

### All Army MWR Operating Funds

Field operating MWR programs and NAFIs, the Army Recreation Machine Program, and the Army MWR Fund comprise Army MWR operating funds. Collectively, \$1.4 billion in total APF and NAF funding supported FY01 operating and capital requirements worldwide – a \$48M decrease over FY00. For APF, a \$9M increase resulted from a \$24M increase in Operation and Maintenance, Army offsetting declines in Military Construction, Army and other operating accounts. For NAF, revenue was down \$57M from FY00, primarily due to the transfer of Guest Houses to Army Lodging and the separation of Supplemental Mission Funds from MWR Operating Funds. The Army and Air Force Exchange payments to the Army in FY01 were up \$3M from the FY00 distribution.

Figure 1-2 shows total funding support and uses in FY01. The ratio of APF to NAF support was 36 percent to 64 percent, respectively. The APF share rose two percentage points compared to FY00. The major use of funds continues to be personnel; at 52 percent of the total, this expense is up one percentage point from FY00. After operating costs, \$184M was available for capital requirements – \$25M less than FY00 primarily due to lower MCA funds for FY01.

### DOD Funding Metrics

Since 1995, DoD fiscal standards for MWR have required that, regardless of category, 100 percent of authorized costs are funded with APF. Metrics to measure these standards allow for incidental program related resale operations that are not authorized APF. The metrics focus on the relationship of APF and NAF operating support for Category A (Mission Sustaining Programs) and Category B (Basic Community Support). They exclude costs of goods sold and depreciation. For Category A, the minimum standard is 85 percent APF and 15 percent NAF. For Category B, the minimum ratio is 65 percent APF and 35 percent NAF.

The Army supports these standards. MWR long-range fiscal planning is based on matching the right funding source with APF/NAF requirements, and the MWR BOD established tracking mechanisms to ensure proper execution. MWR is now in its seventh year of monitoring these standards. Figure 1-3 illustrates FY01 results. Army MWR reported steady improvement, with Category A APF maintaining a 90 percent ratio and Category B rising from 65 percent in FY00 to 66 percent in FY01.

### Critical Indicators

The MWR BOD uses many tools to monitor MWR operating funds and evaluate the program's collective health. Two major "critical indicators" are the cash-to-debt ratio of the collective funds and the relationship of the outstanding AMWRF loan to the Army Banking and Investment Fund with field NAFI cash deposits. For the cash-to-debt ratio, the BOD reviews the total Army's cash in the ABIF, excluding the loan, versus liabilities due and payable throughout the fiscal year.

As of 30 September 2001, the Army's collective MWR operating cash to current field liabilities was 1.2:1. This is up from the 0.9:1 ratio reported in FY00, primarily due to strong results from operations and lower construction payments. The AMWRF loan ratio to field cash deposits was 48.6 percent, down 7 percentage points from 30 September 2000, reflecting a lower loan balance coupled with higher field balances. While these indicators still reflect a less healthy position than desired, the BOD anticipated this condition and will closely monitor the critical FY02-03 periods to allow the Army to execute planned capital expenditures while maintaining solvent operations. Detailed financial information, including a Summarized Balance Sheet and Summarized Income and Expense Report for the Army Operating Funds, is presented in Section 2 of this report.



A recreational lodge under construction at Fort Story, Va.  
- Photograph courtesy of USACFSC Construction



An Army lodging facility completed in Summer 2001 in Stuttgart, Germany.  
- Photograph courtesy of USACFSC Construction

## CONSTRUCTION

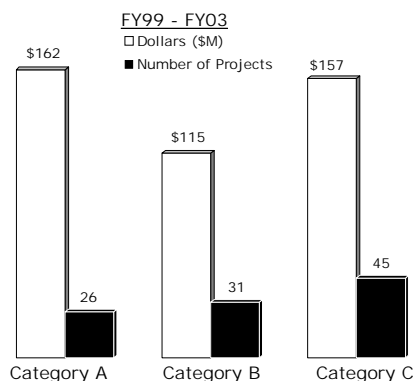
In FY01, Army MWR delivered 13 NAF major construction projects valued at \$49M and 21 Capital Purchase and Minor Construction design and renovation projects valued at \$1.8M to the MWR community. Army MWR has 36 construction projects ongoing at 28 installations in CONUS, Hawaii, Europe, and Korea. Additionally 57 design/minor construction support project are active at 43 installations Armywide.

Five Public-Private Venture projects are already in operation, and eleven more projects are in the approval stage. These projects represent a total cost avoidance of \$35.9M.

The Army is in the fifth year of systematic upgrades to the Armed Forces Recreation Centers.

Army MWR also supports other services for the execution of construction projects on a reimbursable basis. The Army received \$530K for support to the Navy, Navy Exchanges and Commissary, and Marine Corps for FY01.

Congress approved 14 NAF major construction projects with a total value of \$49.7M for the FY02 program.



## MWR Construction Program

Figure 1-5

## FUTURE PLANS

In January 2001 Secretary of Defense Donald Rumsfeld directed an across-the-board review of quality of life and morale issues. This review, conducted by Retired Admiral David Jeremiah for the Rand Institute, determined past practices no longer address today's issues, much less future needs. The 2001 Quadrennial Defense Review noted the need for the Department of Defense to establish a new compact with service members and their families. The DoD assembled functional teams to identify strategies for meeting 21<sup>st</sup> century needs and published results in "A New Social Compact, a Reciprocal Partnership between the Department of Defense, Service Members and Families."

The "Jeremiah Study" and Social Compact provide strategic direction for Army MWR's look to the future. The documents note the changing demographics of the force, heightened operating tempo, increasing reliance on Reserve Components, transformation, greater stresses on service members and their families, and growing expectations of the younger generation coming into the service. Base realignment and closure, long-range basing strategies in Europe and Korea, transformation of installation management, and Army Well-Being focus these concerns for soldiers and their families. Operation enduring Freedom and the war on terrorism appear to be "facts of life" for some time to come.

To continue to deliver "First Choice" MWR programs and services, installation MWR professionals will have to become even more attuned to the needs and desires of soldiers and families and stay abreast of issues affecting forces deployed from their installations. They will have to leverage resources through cooperative efforts with the other Services, DoD, and the civilian community. The Community and Family Support Center is reinforcing these efforts by making the case for additional appropriated funds for MWR. Our Strategic Communication Plan, designed to communicate our future intentions to all of our stakeholders, is the capstone for these efforts as well as the strategic efforts discussed throughout this annual report. These efforts will raise the consciousness of the benefits of and need for MWR among the members of the uniformed services.

# Audit

## PROCESS

Auditing standards issued by the Comptroller General of the United States require that auditors plan and perform audits to obtain reasonable assurance that financial statements are free of material misstatement. These audits include examining - on a test basis - evidence that supports the amounts and disclosures in the financial statements. The audits also assess accounting principles used, significant estimates made by management, and the overall financial statement presentation. The auditors believe their audits provide a reasonable basis for their opinion. Selected audits are performed in accordance with DoDI 7600.6 and ARs 11-7, 36.2 and 215-1.

Audits of the HQDA nonappropriated funds are conducted annually by commercial auditors.

Audits of Fiscal Year 2000 results have been completed which resulted in unqualified audit opinions for the Army Morale, Welfare, and Recreation Fund (AMWRF) ; Army Central Insurance Fund (ACIF) ; Army Banking and Investment Fund (ABIF); Hospitality Cash Management Fund (HCMF); NAF Employee 401(k) Savings Plan; Army Lodging Fund (ALF) ; Army Medical Life Fund (AMLF); Army Recreation Machine Trust (ARMTF) and ARMP operations Fund; Armed Forces Recreation Center-Europe, Hale Koa Hotel, Shades of Green and Dragon Hill Lodge.

A qualified audit opinion was issued for the NAF Employee Retirement Plan because of a material weakness. The accuracy of the NAF participant database could not be verified. Corrections to data base will be completed prior to commencing the annual Retirement Plan Actuarial Valuation. There will be no effect on the payment of any annuitant's retirement.

Commercial audits of Fiscal Year 2001 results are ongoing.

The following audits were reported to the MWR BOD'S Audit and Executive Committees:

### DoD's Family Support Program

The General Accounting Office objective was to determine family needs, supporting information, and how information from needs assessments affects family program funding allocation. The GAO focused on Air Force programs with a limited amount of work with the Army. The GAO recommended that DoD require needs assessments using benchmarks; use the results to support resource allocations; and integrate information on off-base family support resources. Army concurred in principle but noted that flexibility is needed to meet service requirements and unique community needs. The Army has several mechanisms that meet the intent of the recommendations: Chief of Staff's Well-being Strategic Action Plan, Survey of Army Families, Sample Survey of Military Personnel, Leisure Needs Survey, Army Family Action Plan, family program's annual reporting process to DoD, and the major construction program process.

### Quality of Life in Balkans

The GAO objective was to assess quality of life for soldiers deployed to the Balkans. Survey results showed that Army efforts met or exceeded soldier expectations. The most important issues were housing, communications with family, and food services. Also highlighted were Exchange and recreational facilities, medical and dental, educational opportunities, and laundry. Army is addressing barracks, work hours, and telephone call costs.

### NAF Payroll

The Army Audit Agency objective was to evaluate NAF payroll procedural accuracy, effectiveness, and efficiency. No material weaknesses were found in CONUS. Improper payments were identified at one installation, and pay related actions were recommended. In Korea, management controls were generally adequate; however, local national employee automated systems need improvement. In USAREUR, no material weaknesses were found and the command concurred with findings and recommendations.

### Installation MWR Funds

Various financial control audits were performed on single location installation MWR funds. No audit trend report has been issued by USAAA, but site reports indicate the need for better financial internal controls.

**“The Army is people, and the soldier remains the centerpiece of our formation. The Army remains a values-based institution, where loyalty, duty, respect, selfless service, honor, integrity, and personal courage are the cornerstones of all that we do.”**

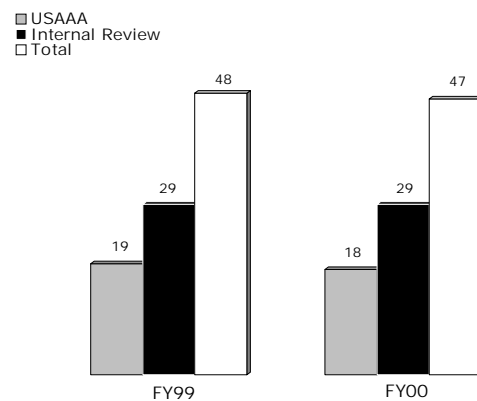


Gen. Eric K. Shinseki, CSA  
Testimony to the Senate Armed Services Committee  
September 27, 2000

## AUDIT WORK YEARS

Time spent by USAAA and Army Internal Review offices auditing NAF decreased from FY00 to FY01 from 48 to 47 work-years.

Internal Review audit time remained the same, and USAAA time decreased from 19 to 18 work-years.



NAF Audit Work Years

# Financials

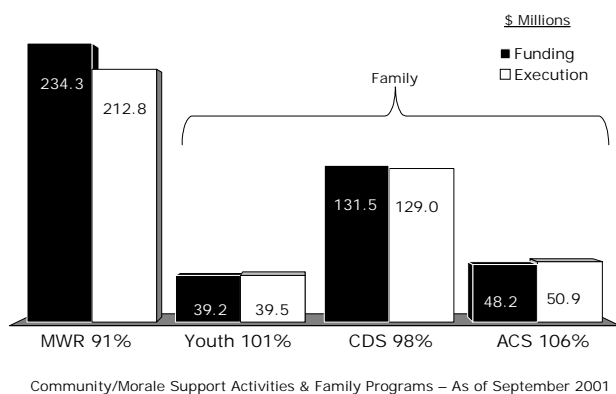
## TOTAL MWR OPERATING FUNDS

Army MWR corporate finances are the combined total performance from field operating NAFIs, the ARMP and the AMWRF. Section 1 of this report shows how these elements, taken in the aggregate, performed from FY00 to FY01. Section 2 reviews field operating results for the same period.

### Direct Appropriated Fund Support

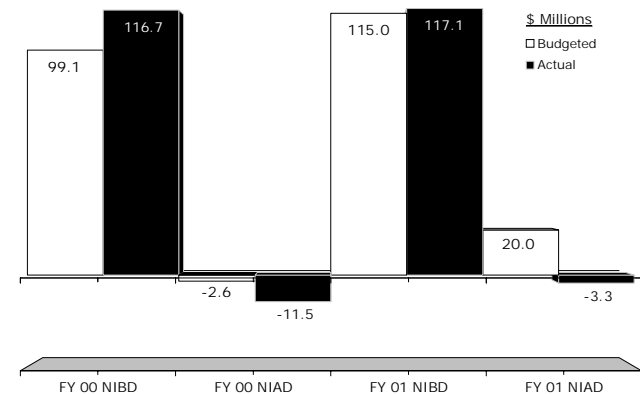
The .L account and family program accounts obligated at 95.4 percent of funding in FY01. The .L account executed \$213M, or 91.0 percent of funding, in support of Community and Morale Support Activities (i.e., military MWR programs). Family programs (Child Development, Youth Programs and Army Community Service) executed \$219M, or 100 percent of funding. On a dollar basis, this was \$8M more than actual FY00 execution for the .L account and \$8M more for family program accounts. The FY01 approved level of total program funding was \$14M greater than FY00. Total execution increased by \$16M compared to FY00.

Figure 2-1 displays FY01 execution by Management Decision Package. For the fourth year in a row, .L account execution (MWR) was less than the initial funding levels. This clearly demonstrates the difficult decisions commanders face to match scarce resources with priority requirements.



Execution by Management Decision Package

Figure 2-1



Total MWR NAFI Worldwide NIBD/NIAD

Figure 2-2

**“Yours is truly a noble calling. It is very special. With your fellow men and women, members of the Armed Services all across the globe, you stand watch for liberty.”**



Secretary of Defense Donald H. Rumsfeld  
Addressing the soldiers of Camp Bondsteel, Kosovo  
June 5, 2001

## Nonappropriated Funds

For FY01, NIBD was \$117.1M or 14.7 percent of net revenue. For FY98 through FY01, supplemental mission funds are broken out of installation MWR funds per the request of the MWR BOD. Figure 2-2 reflects FY01 NIBD with a slight increase over FY00. While not on this chart, net revenue decreased by \$19.6M, primarily due to the transfer of the guesthouse program to the Army Lodging Fund. The impact of this decrease on NIBD was reduced by swift management actions to identify and document NAF used for authorized APF expenses and to seek reimbursement through the MWR USA practice.

The Army has exceeded MWR BOD standards for six consecutive years (Figure 2-3). For NAF functional operating results (Figure 2-4), category A and B programs remained constant with a category C decrease due mainly to the transfer of guesthouse operations to the ALF (ALF repayment for the value of transferred fixed assets contributed to an increase in external revenue). Nonoperating revenue continued to increase and exceed budget projections (Figure 2-5). Installations remain dedicated to meeting BOD standards and show the potential and ability to reach even higher goals (Figure 2-6).

FY	MWR BOD NIBD Standard	\$ Actual NIBD	% Net Total Revenue (Less USA)
1997	5 %	\$ 75.8 M	8.9 %
1998	7 %	\$ 66.9 M	8.8 %
1999	8 %	\$ 88.6 M	11.4 %
2000	8 %	\$ 116.7 M	14.3 %
2001	8 %	\$ 117.1 M	14.7 %

Figure 2-3

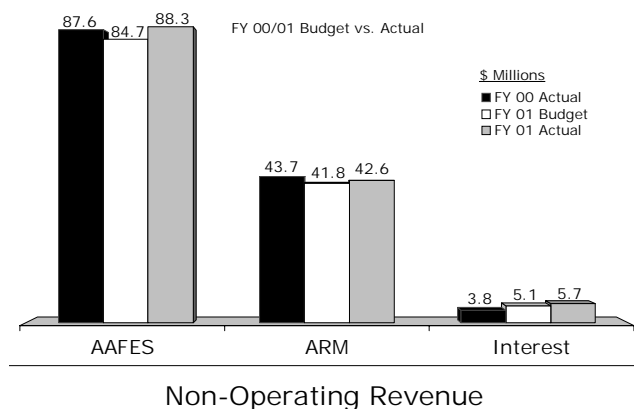


Figure 2-5

### Functional NAF Operating Results Army Average Data Adjusted for Base Closure

	\$ M	* FY 98	FY 99	FY 00	FY 01
<b>Income Generators</b>					
Category C Programs		58.1	64.8	71.8	55.0
External Revenue		121.2	129.8	146.4	159.8
<b>Subtotal</b>		\$ 179.3	194.6	\$ 218.2	\$ 214.8
<b>Income Users</b>					
Category A Programs		- 8.2	- 5.2	- 4.1	- 4.2
Category B Programs		2.9	3.7	6.9	6.9
Overhead Expense		- 92.3	- 89.4	- 88.5	- 85.2
Capital Reinvestment Assessment		- 14.8	- 15.1	- 15.8	- 15.2
<b>Subtotal</b>		- \$ 112.4	- \$ 106.0	- \$ 101.5	- \$ 97.7
<b>NIBD*</b>		\$ 66.9	\$ 88.6	\$ 116.7	\$ 117.1
<b>% of Total Revenue</b>		8.3 %	11.4 %	14.3 %	14.7 %

\* Includes Interprogram adjustments

Figure 2-4

	NIBD Standard	Capital Reinvestment Assessment	Cash Generation Standard (NIBD+CRA)	Actual Cash Generated
FY	As % of Total Revenue	As % of Total Revenue		%
1997	5 %	3 %	8 %	11.9 %
1998	7 %	2 %	9 %	8.8 %
1999	8 %	2 %	10 %	11.4 %
2000	8 %	2 %	10 %	14.3 %
2001	8 %	2 %	10 %	14.7 %

Figure 2-6

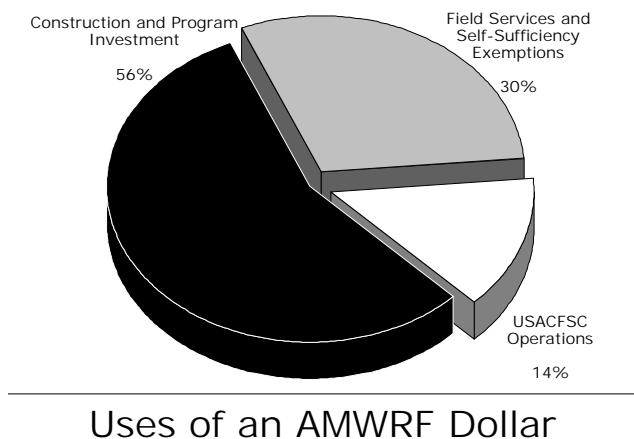


Figure 2-7

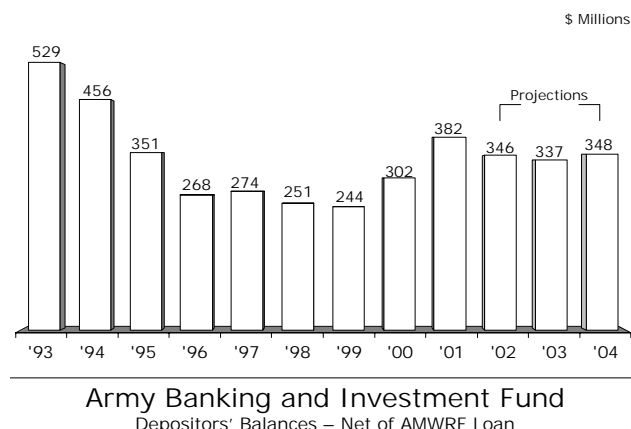


Figure 2-8

## ARMY OPERATING FUNDS

This section addresses individual Headquarters, Department of the Army funds managed at the USACFSC and presents a summarized balance sheet and statement of income and expense.

### Army Morale, Welfare, and Recreation Fund

This is the MWR Board of Directors' eighth year of financing strategies to modernize the MWR NAF physical plant. The long-range plan redirects field NAFI revenue to the AMWRF for worldwide application and authorizes borrowing from the Army Banking and Investment Fund. In FY01, this extremely aggressive capitalization plan paid out \$36M for regular construction. While the largest portion of the AMWRF's cash finances capital requirements, the fund also invests in other Armywide programs, such as master training, interns, patron surveys, and marketing research. The next largest allocation is for field exemptions and services, such as self-sufficiency exemption dividends, capital purchase and minor construction grants, Army sports, and BOSS. The fund also supports a portion of the NAF administration budget for USACFSC. Figure 2-7 shows how the AMWRF dollar was allocated for FY01.

### Army Central Insurance Fund

The Army Central Insurance Fund provides comprehensive property and casualty insurance, including coverage for terrorism, through a self-insured program for all NAF programs. During FY01, the trend of catastrophic losses caused by fire, flood, ice and windstorm continued, resulting in claim payments for damage to NAF buildings and contents totaling \$1.4M. Accidents causing damage to NAF operated vehicles resulted in losses of \$399K. Employee dishonesty claims are on the rise, totaling \$245K. The cost of general and vehicle tort claims for bodily injury and property damage due to negligence amounted to \$583K. The increased cost of workers' compensation claims resulted in an increase in the rate charged to CONUS installations for FY01. But decreased claims expense in the unemployment compensation program resulted in a reduced rate. The ACIF had a net operating income of \$2M for the year. The ACIF continues to emphasize safety and loss prevention as the keys to reducing losses and claim payments.

### Army Banking and Investment Fund

The Army Banking and Investment Fund manages a pool of U.S. Government securities on behalf of participants and pays interest based on portfolio earnings. During FY01, the ABIF provided cash management and investment services to 400 Army and DOD entities. Participants earned a compounded rate of 5.97 percent on their average deposited balance. During the year, the ABIF distributed \$19.1M as interest income, up from \$14.5M in FY00. Invested cash rose from \$302M to \$368M from FY00 to the end of FY01.

### Army Recreation Machine Trust Fund

The Army Recreation Machine Trust Fund administers the Army Recreation Machine Program operating profits. In FY01, the ARMTF received \$74.4M in profit distribution, a \$0.9M increase over FY00. Major uses of cash in FY01, on a cash flow basis (which includes cash on hand at the beginning of the year) were \$71.3M in shared distributions and \$8M for internal ARM operations capital expenditures.

US Army NAF Retirement Fund		
Asset Class	Amount \$M	Percent %
Common Stock	\$ 277.8	53.6 %
Cash and Equivalents	109.1	21.1 %
Bonds and Debentures	77.2	14.9 %
Venture Capital	30.0	5.8 %
U.S. Government Securities	24.0	4.6 %
<b>Total</b>	<b>\$ 518.1</b>	<b>100 %</b>

Figure 2-9

US Army NAF Employee 401(k) Fund	Average Annual Total Returns Period Ending 30 Sep 01		
	1 Year	5 Years	Life of Fund
Investment Fund			
Retirement Money Market Fund	5.10 %	5.38 %	5.54 %
U.S. Bond Index Fund	12.85 %	7.99 %	8.53 %
Asset Manager Fund	-13.69 %	9.42 %	11.16 %
Growth & Income Fund	-18.21 %	10.48 %	15.91 %
Growth Company Fund	-49.07 %	9.82 %	15.60 %
Overseas Fund	-33.06 %	2.06 %	12.93 %
U.S. Equity Index Fund	-26.76 %	10.01 %	13.21 %

Figure 2-10

## Army Central Retirement Fund

The ACRF represents total employee and employer contributions and investment earnings on those contributions for the U.S. Army NAF Employee Retirement Plan. Plan assets are in a trust fund that can only be used to benefit participants as authorized by the plan. Five trustees control the trust and invest assets in authorized investments such as stocks, bonds, real estate, and government instruments. The fund pays accrued benefits to participants and their survivors as determined by a formula based on salary and years of service. In FY01, the plan paid NAF retirees and their beneficiaries \$22.6M including a 2.5% cost of living increase on 1 April 2001.

As of 1 October 2000, the date of the last actuarial valuation, the value of benefits participants earned to date (actuarial present value of accumulated plan benefits) was \$432M. This is the amount required to satisfy all plan obligations if it were terminated today. The market value of assets available on 1 October 2000 was \$632.6M (a funded ratio of 146 percent).

A more important measure of the plan's financial health is its ability to meet future benefit obligations. The total actuarial accrued liability as of 1 October 2000 was \$470.6M, with the actuarial value of assets at \$547.4M, representing continued fund strength despite generally unfavorable investment markets.

On 30 September 2001, the market value of the plan's assets totaled \$518.1M. These assets were invested as shown in Figure 2-9. The return on investment for these assets for the year ending 30 September 2001 was -18.1 percent.

## Army Medical/Life Fund

The Army offers health, dental, and life insurance benefits to regular NAF employees participating in the DoD Uniform Health Benefit Plan. The AMLF collects premiums from employers and employees based on participant enrollment in the health benefits options. Alternatively, employees may elect health benefits coverage through health maintenance organizations in some locations. Claim expenses for the DODHBP are satisfied by direct disbursements to affiliated medical service providers after the plan takes its discounts. When services are provided from outside the network or for any dental claims, participating employees are reimbursed directly. In order to preserve the tax-preferred status of life insurance benefits, the AMLF reimburses a contracted insurance carrier for benefits paid to beneficiaries of deceased participants in the life insurance program.

## 401(k) Savings Plan

The US Army NAF 401(k) Savings Plan continues to be a valuable benefit for employees who are working to achieve financial security. The total individual 401(k) Savings Plan account balances were \$132.3M, a decrease of \$8.3M from the previous year. This decrease was a direct result of the stock market decline during the year. Figure 2-10 shows investment returns for the seven funds available to employees as investment options. Participation in the US Army NAF Employee 401(k) Savings Plan continues to grow at a rapid rate. As of September 30, 2001, there were 10,246 participants, up from 9,472 on September 30, 2000. This 8.2% enrollment increase reflects the efforts of personnel managers in promoting participation in the plan.

## Summarized Balance Sheet

Below are the summarized balance sheet (Figure 2-11) and the summarized statement of income and expense (Figure 2-12) that support the analysis in the executive summary. The remainder of this section addresses individual Headquarters, Department of the Army funds managed at the USACFSC.

The Army Operating Funds for FY01 have been reconfigured to exclude Guest Houses that have transferred to Army Lodging and Supplemental Mission NAFIs that have been separated from the operating funds' collective reporting. The declines in Assets and Current Liabilities and Equity are largely due to these transfers.

The decline in Long-Term Liabilities is primarily due to the paying down of the AMWRF loan to the Army Banking and Investment Fund by \$12M. The remaining decline is due to the lodging transfer.

The overall position of the Army Operating Funds was sound as of 30 September 2001. Current assets hold a 2.2:1 ratio over current liabilities with an acid test ratio of 1.9:1.

### Summarized Balance Sheet: Army MWR Operating Funds

	30 Sep FY00	30 Sep FY01	Change
<b>Assets</b>			
<b>Current Assets</b>			
Cash/Investments	264,873,618	252,828,813	(12,044,805)
Receivables	59,890,036	59,791,296	(98,740)
Inventories	27,207,706	23,679,274	(13,528,432)
Prepaid Items	<u>23,579,366</u>	<u>22,173,043</u>	<u>(1,406,323)</u>
Total Current Assets	375,550,726	358,472,426	(17,078,300)
<b>Fixed Assets</b>	2,089,997,491	2,054,950,561	(35,046,930)
(Less) Accumulated Depreciation	<u>932,640,103</u>	<u>958,075,476</u>	<u>25,435,373</u>
Book Value Fixed Assets	1,157,357,388	1,096,875,085	(60,482,303)
<b>Other Assets</b>			
Capital Commitment/Sinking Funds	10,880,502	17,426,855	6,546,353
Separation Sinking Funds	2,355,520	2,341,255	(14,265)
Other	<u>69,798,676</u>	<u>8,197,413</u>	<u>(61,601,263)</u>
<b>Total Assets</b>	<b>\$ 1,615,942,812</b>	<b>\$ 1,483,313,034</b>	<b>\$ (132,629,778)</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	37,471,858	36,085,488	(1,386,370)
Other	<u>132,770,111</u>	<u>127,598,152</u>	<u>(5,171,959)</u>
Total Current Liabilities	170,241,969	163,683,640	(6,558,329)
<b>Total Long Term Liabilities</b>	<u>152,651,785</u>	<u>133,350,366</u>	<u>(19,301,419)</u>
<b>Total Liabilities</b>	322,893,754	297,034,006	(25,859,748)
<b>Fund Equity</b>	<u>1,293,049,058</u>	<u>1,186,279,028</u>	<u>(106,770,030)</u>
<b>Liabilities and Fund Equity</b>	<b>\$ 1,615,942,812</b>	<b>\$ 1,483,313,034</b>	<b>\$ (132,629,778)</b>

Figure 2-11

## Summarized Income and Expense Statement

Figure 2-12 illustrates the statement of FY01 APF and NAF operations compared with FY00. NAF revenue and expenses exclude MWR Utilization, Support and Accountability funding. This precludes overstatement of APF and NAF resources.

Total APF support increased \$8.8M compared with last year. There was a \$24M increase in Operations Maintenance, Army, that offset decreases in other operating accounts and Military Construction, Army. The amount of military personnel reported working in MWR also declined from FY00.

NAF revenue decreased by \$56.7M from FY00, with lower sales (-\$18.2M) and other revenues (-\$43.4M) due largely to the transfer of guest house and supplemental mission NAFIs out of the MWR Operating Funds' report. Increases in AAFES payments, Army Recreation Machine revenue, and interest income helped to offset the decline. The NAF expenses reflect an 8 percent reduction. There was, however, a 3 percent increase in NAF overhead labor, excluding USA supported positions. As a percentage of NAF revenue, operating labor increased 1.3 percentage points.

Cash generated from operations totaled \$170.3M for FY01, an increase of \$6.9M from FY00.

### Summarized Income and Expense Statement: Army MWR Operating Funds

	FY00	FY01	Change
<b>Revenue</b>			
<b>APF :</b>			
Military Personnel	11,897,655	8,372,349	(3,525,306)
OMA	439,528,261	463,043,575	23,515,314
Other Operating	6,913,734	6,495,711	(418,023)
DLA/DoD	10,537,740	12,086,064	1,548,324
<u>MCA</u>	<u>25,500,000</u>	<u>13,200,000</u>	<u>(12,300,000)</u>
Subtotal	\$ 494,377,390	\$ 503,197,699	\$ 8,820,309
<b>NAF :</b>			
Sales	244,590,393	226,351,532	(18,238,861)
Gross ARM Revenue	121,550,967	123,647,605	2,096,638
Central Fund AAFES Div	53,391,762	54,607,653	1,215,891
ASD/Other AAFES	87,587,110	88,304,490	717,380
Other Revenue *	443,220,564	399,854,035	(43,366,529)
<u>Interest Income</u>	<u>5,898,904</u>	<u>6,789,768</u>	<u>890,864</u>
Subtotal *	\$ 956,239,700	\$ 899,555,083	\$ (56,684,617)
<b>Total Revenue &amp; Appropriations</b>	<b>\$1,450,617,090</b>	<b>\$1,402,752,782</b>	<b>\$ (47,864,308)</b>
<b>Expenses</b>			
<b>APF :</b>			
Operating Labor **	182,769,200	186,840,010	4,070,810
Overhead Labor **	49,835,056	50,165,361	330,305
APF Support for USA Labor	53,183,480	71,909,715	18,726,235
<u>Other Operating Costs</u>	<u>183,089,654</u>	<u>181,082,613</u>	<u>(2,007,041)</u>
Subtotal	\$ 468,877,390	\$ 489,997,699	\$ 21,120,309
<b>NAF :</b>			
Cost of Goods Sold	107,409,617	96,459,090	(10,950,527)
Operating Labor *	352,491,664	343,562,652	(8,929,012)
Overhead Labor *	103,968,707	107,404,767	3,436,060
<u>Other Operating Costs *</u>	<u>228,968,845</u>	<u>181,804,306</u>	<u>(47,164,539)</u>
Subtotal *	\$ 792,838,833	\$ 729,230,815	\$ (63,608,018)
<b>Total Operating Expenses</b>	<b>1,261,716,223</b>	<b>1,219,228,514</b>	<b>(42,487,709)</b>
<u>Military Construction Army</u>	<u>25,500,000</u>	<u>13,200,000</u>	<u>(12,300,000)</u>
<b>Net Income Before Depreciation</b>	<b>163,400,867</b>	<b>170,324,268</b>	<b>6,923,401</b>
<u>Depreciation</u>	<u>134,135,423</u>	<u>122,303,757</u>	<u>(11,831,666)</u>
<b>Net Income (Loss)</b>	<b>\$ 29,265,444</b>	<b>\$ 48,020,511</b>	<b>\$ 18,755,067</b>

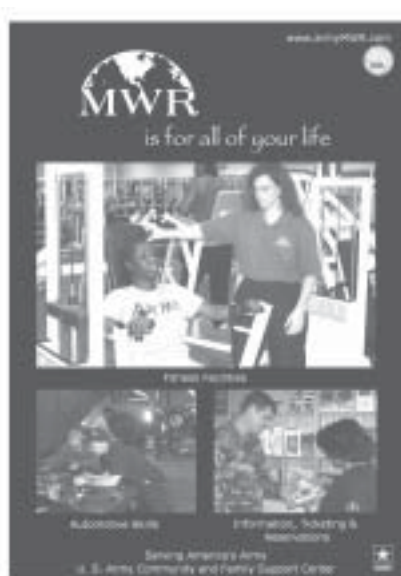
\* Net of USA revenue: FY00 - \$72,831,792; FY01 - \$97,793,358

\*\* Includes General Schedule, Foreign Nationals, Wage Grade, and Military Personnel, Army

Figure 2-12

# Workforce

For the 35,000 employees who deliver MWR worldwide, the Army provides a wide menu of services from referral, training, benefit management and administration to career field management.



## WHITE PLUME AWARDS

The White Plume was established in 1982 by The Adjutant General of the Army to recognize outstanding service and contribution to MWR and family programs. It is the Army's highest medal for achievement in support of Army MWR. Winners of the White Plume (Figure 3-1) represent true service to the soldier, the Army, and the nation.

### 2001 MWR White Plume Awards

John Allread	USAREUR
Anthony Brown	USMA
Stanley Debiec	USAREUR
Robin Donohoe	USACFSC
James Evetts	Fort Sam Houston, Texas
William Franssen	TRADOC
Maj. Gen. Patricia Hickerson	USAREUR
Sgt. Maj. Stuart Holder	USACFSC
Todd Lane	TRADOC
Lt. Gen. W. Magruder	FORSCOM
Lt. Gen. Timothy Maude	DCSPER (Posthumous)
John McLean	Fort Sam Houston, Texas
Priscilla Pazzano	USACFSC
Jerry Shelton	FORSCOM
Larry Simank	USAREUR
Francis Szymanski	USAREUR
Marilyn VanDyne	MTMC

Figure 3-1

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**“In our profession, from the most junior to the most senior member in our chain of command: character matters; high moral standards matter; honesty matters; integrity matters; serving our country matters.”**

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Gen. (Retired) Bernard Rogers  
George C. Marshall medal acceptance speech  
October 13, 1999

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## NAF EMPLOYEE BENEFITS

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Benefit programs for NAF employees continue to improve and expand direct support to employees. Highlights of FY01 initiatives included the following:

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### DoD Uniform Health Benefit Plan >

The DoD Uniform Health Benefit Plan continues to provide quality, affordable health benefits to Plan participants in an environment of dramatically increasing costs. A pretax health insurance premium program reduced both employee and employer cost for the Health Benefit Plan.

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### 401(k) Savings Plan >

Service enhancements now allow 401(k) Savings Plan participants to communicate directly with Fidelity Investments for payouts, hardship withdrawals, and other services, improving responsiveness to customers and eliminating time-consuming administrative functions for Civilian Personnel Offices. A new Plan Sponsor Workstation allows staff to directly access the 401(k) Plan system to accomplish on-line processing of death claims, Qualified Domestic Relations Orders, and other transactions.

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### Group Life Insurance Plan >

In response to the events of September 11<sup>th</sup>, the USACFSC amended the Group Life Insurance Plan to eliminate the war exclusion clause and ensure continued coverage of deployed employees and those called to active military duty. The Plan now offers optional additional coverage for dependents and family members of employees.

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### Retirement Plan >

The USACFSC and NAF CPOs screened 17,000 personnel records to review retroactive retirement service credit and correct cases where employees may have been denied participation in the NAF Employee Retirement Plan. Based on this review, 1,400 personnel were identified as eligible to buy back retirement credit. An audit of creditable service data for Plan participants also began.

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### Systems Improvements >

A new benefits system data base now links to program providers and automates many transactions, including routines to verify data from the old system. Phase I of the NAF Benefits On-Line System was also fielded, allowing CPOs to process open season transactions through the Internet into the benefits system. The benefits web site now includes links to program provider companies to provide better information and support to NAF Employees.

## CAREER DEVELOPMENT PROGRAMS

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NAF management trainees for 2001: Richard J. Evangelista, (West Point), Brian W. Guinn (Fort Lewis), and Christopher A. Morris (Fort Leonard Wood).  
- Photograph courtesy of the MWR Academy

### Career Development and Staffing

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The USACFSC assisted commanders in filling MWR vacancies (APF and NAF) at grades GS-9/NF-4 and above. A total of 407 referral lists were issued in CY01. Refinements continue to the MWR Referral System. The on-line resume builder was upgraded and is more user-friendly, with 3,554 resumes currently in the automated system. Referrals are now sent by e-mail, significantly reducing turnaround time for filling positions and eliminating FEDEX fees. The system notifies employees when their resumes are referred, e-mails employees 90-days before their resume needs to be updated, and notifies employees selected for positions to update their resumes to be eligible for other vacancies.

Development efforts continued on the Career Management and Staffing Program. The CMSP is a long-term strategy to develop and institutionalize MWR manager succession planning. During FY01, USACFSC contracted with Logistics Management Institute to develop certification standards, which will serve as the basic foundation for evaluating CMSP applicants' qualifications for movement into MWR leadership positions.

### NAF Management Trainee

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The centrally funded NAF management trainee program places college graduates with degrees in certain specialties into MWR positions. In FY01, six trainees were recruited into the program: two personnel specialists; one in child and youth services; one in lodging; one in outdoor recreation; and one in marketing. Regional training sites for these positions are located at West Point and Forts McCoy, Sam Houston, Leonard Wood, and Lewis. During 2001, five graduates from FY 99/00 programs completed on-the-job training and moved into permanent placement positions. In an effort to overcome recruiting challenges, the USACFSC tested an on-line job-posting site to advertise available management trainee positions. Responses were overwhelming -- three of the six trainees hired in FY01 were found through the on-line recruiting site. The on-line job-posting site will continue to be used as a recruiting tool for the program.



Students at the MWR Academy can choose from an extensive list of program-specific or managerial courses.  
- Photograph courtesy of the MWR Academy

## Master Training

The MWR Academy, located in Falls Church, Virginia, offers *First Choice* courses for the Army and its sister services. Academy courses support the MWR Master Training Plan, training entry-level managers through general officers serving as installation commanders.

Web-based training remains at the forefront of planning efforts. The basic management and NAF basic contracting courses will be web-based in FY03.

Since 1988, the MWR Academy has trained 17,072 students. In FY01, the Academy trained 2,418 Army, Marine, Navy, Army Reserve, Army National Guard, and Air Force reserve students. The MWR Academy delivers 27 percent of its training at installations, 34 percent at the Academy, 25 percent by correspondence, 7 percent by contract off-site, and 7 percent at the MWR Culinary Academy in Ft. Lee, Virginia.

The American Council on Education evaluates MWR Academy courses and recommends college credit for many offerings. Neither the ACE nor the MWR Academy grants college credit, but ACE recommendations encourage colleges and universities to award credits to students participating in applicable degree programs.

MWR Academy FY01 Students Totals by Course	
25	AFRC/ARMP Management Course
455	Applied Financial Planning
21	Business Program Managers' Course
29	Catering Professionals' Course
17	Catering Skills Course
18	Construction Contracts
247	CFS Management Course
406	CFS Management Course (Enrolled Correspondence)
25	Contract Administration
24	Contract Advanced Administration
20	Contract Law
17	Contract Negotiation
20	Contract Source Selection
22	Cost & Price Analysis
16	CYS Coordinators' Course
33	CYS Directors' Course
49	CYS TACS/TAPS Course
14	DPCA/DCA Course
47	Food & Beverage Automation Courses
19	Food & Beverage Executive Seminar
37	Food & Beverage Management Course
19	Food Service Skills
67	Garrison Pre-Command Course
32	Garrison Sergeant Major Course
27	General Officer Installation Commander's Course
44	ISO Training Courses
37	Joint Family Support Director's Course
30	Lodging Customer Service
23	Lodging Front Office Operations
28	Lodging Human Resource Management
28	Lodging Management
25	Lodging Strategic Financial Planning
27	Marketing Managers' Course
47	NAF Contracting, Advanced
45	NAF Contracting, Basic
139	NAF Contracting, Basic (Enrolled Correspondence)
12	NAF Contracting Basic, Navy
152	Operation Excellence
50	Recreation Managers' Course
25	Relocation Assistance Program Managers
2,418 Total	

Figure 3-2

# Management Summaries

## FAMILY PROGRAMS

### Child and Youth Services

The Army serves more than 450,000 eligible children and youth (ages 4 weeks to 18 years old) at 127 locations in 28 States, the District of Columbia, and nine different countries and territories.

Efforts to improve Armywide CYS communications and to establish an "e-business" framework for child and youth operations began in FY01 with the implementation of the CYS Forums and the development of ArmyFCC.com. The CYS Forums are internet-based "bulletin boards" that allow subject matter expert groups of CYS employees to network and exchange ideas. The ArmyFCC.com website will serve as a referral system for Army Family Child Care providers to describe their programs and vacancy information and for Army patrons to preview potential placement locations for their children.

Operation Enduring Freedom required updated CYS mobilization and contingency plans. The USACFSC issued procedural guidance on extending operating hours, adjusting regulatory requirements where needed, extending DoD certification where travel restrictions delayed command inspections, and other operational and funding considerations resulting from extraordinary contingency conditions. The Army CYS website was the central point of information and new materials in support of installation CYS activities.

In 2001, the Army set up several "pilot sites" to test the concept of Support for Expanded Child Care Services and Youth Program Services for Dependents under the aegis of Public Law 106-65, Sec. 584. This legislation authorizes the Army to expand and enhance current CYS programs through interaction with local civilian communities where in the best interests of the government. "Lessons learned" from the tests will be integrated into future operational guidance as Army CYS programs take advantage of better integrating children from military families into local civilian communities.

The CYS Pioneer Award acknowledges significant contributions by individuals who made Army child and youth programs "a model for the Nation."

2001 Pioneer Awards	
Mattie Holmes Sandy Wood	Fort Bragg, N.C. HQ, USAREUR

Figure 4-1

Other program accomplishments for FY 2001 included:

Certification of 100 percent of Army child development and school age programs by the DoD.

Accreditation of 98 percent of Army child development centers by the National Association for the Education of Young Children (compared to 8 percent in private industry).

Certification of over 3000 youth sports and fitness coaches through 70 active chapters of the National Youth Sports Coaches Association of the National Alliance for Youth Sports.

Monitoring 200,000 Promise Passport volunteer hours – constituting the Army's contribution to the community involvement goal of the America's Promise program.

Connecting more than 76 percent (124 of 163) of youth computer labs to the internet.

Conducting an Armywide CYS space census to develop data that supports each installation's allocation of spaces for the DoD child care demand goal and the Army's youth utilization goal.

Releasing the Secondary Education Transition Study and monitoring school system signatories to a memorandum of agreement implementing recommendations to improve military students' transition between schools.

**“We must restore faith with our Soldiers...they are burdened with too few personnel, aging equipment, and poorly maintained homes and facilities.... America today enjoys a vibrant standard of living that is the envy of the world. At significant personal sacrifice, the American Soldier guarantees that way of life, but he and his family do not share in it fully. Our Soldiers are proud and capable and honorable. They perform every mission that we ask of them – professionally and at a high standard.... They are a tremendous bargain for the nation – American Soldiers have provided far more in readiness than we have paid for. But we should not expect such selfless devotion to include the sacrifice of their families’ well being.”**



Gen. Eric K. Shinseki, CSA  
Congressional Testimony  
28 September 2000

## Army Community Service

In FY01, \$48.2M OMA was programmed for ACS, a seven percent increase over FY00 programming. Overall FY01 OMA execution was \$50.9M, a 105.57 percent execution rate compared to a 98 percent obligation in FY00. In FY01, the Family Advocacy and Relocation programs obligated \$38.6M and \$4.6M in OSD funding, respectively.

Army Community Service Operating Costs (OMA)		FY01
	Amount \$M	
Exceptional Family Member Program	\$ 2.4	
Family Advocacy	7.5	
Employment Readiness	2.9	
Foster Care	0.3	
Financial Readiness	5.6	
Information, Referral and Follow-Up	2.3	
Outreach	0.5	
Relocation Assistance	4.4	
ACS-Base	20.9	
		\$ 518.1

Figure 4-2



Delegates preparing for the AFAP conference report-out.  
- Photograph by Don Parker



A family member of a victim who was killed during the September 11<sup>th</sup> terrorist attack on the Pentagon holds yellow roses and an American flag in remembrance of his loved one. Family members visited the Pentagon on September 15<sup>th</sup> and were allowed to see the impact site.  
- Photograph by SSG John Valceanu

## “9-11”

Following the terrorist attack on the Pentagon and throughout Operations Noble Eagle and Enduring Freedom, ACS provided extensive support services. Drawing upon the experiences gained in training through mobilization exercises, family assistance center operations through Operation Desert Storm, Bosnia, and Kosovo and Army disasters and natural catastrophes, ACS personnel in the Military District of Washington and throughout the Army responded with caring and commitment.

Within hours after the attack on the Pentagon on September 11<sup>th</sup>, the Fort Myer, Va., ACS staff established a FAC to respond to questions and provide information. Community volunteers, to include the Army ACS headquarters staff, joined the Fort Myer ACS staff. In the first two days of operation, they fielded more than 4,500 calls from around the world with information and referral services.

On September 12<sup>th</sup>, the CFSC assisted the Department of Defense in standing up the Joint Pentagon Family Assistance Center to provide assistance, information, and sanctuary to families of victims. The joint-service staff of 190 responded to 7,000 calls and assisted 170 walk-in families (out of 184 who had a family member killed in the attack).

The Joint Pentagon Family Assistance Center served as a hub to coordinate casualty affairs and rescue and recovery operations with local officials, to collect medical and dental records and DNA samples needed to identify victim remains, and to provide accurate information to families through daily briefings.



The Joint Pentagon Family Assistance Center.  
- Photograph by Photographer's Mate 1st Class Cheryl Sterk

Forty-one Federal, state and local government agencies, nonprofit organizations, and corporations came together at the Joint Pentagon Family Assistance Center to help families, aided by voluntary donations of food, money, cell phones, blankets, flowers, and teddy bears. Scholarship funds were also established for children of victims.

After the Pentagon Memorial service on October 11<sup>th</sup>, the JPFAC scaled back operations to focus on follow-up assistance to victims' families. The Army took the lead to establish an Interagency Services Family Assistance Working Group to provide support during this period.

As Operation Enduring Freedom commenced, ACS centers responded quickly. Within the first month of operations, FACs were operating at 7 installations and 114 National Guard locations, and many ACS centers extended operating hours. The support continues today: Fort Stewart has coordinated more than 2,600 video teleconferences since September 11<sup>th</sup>; USAREUR is providing additional support to Reservists assigned overseas; TRADOC installations conducted family readiness round-ups and FAC exercises; and AMC refocused services to support additional soldiers assigned to duty throughout the command.

The events of September 11<sup>th</sup> also presented new challenges. In addition to ongoing support for soldiers and families, ACS must now support multiple missions and simultaneous operations. Homeland security and increased force protection measures at Army posts require “out of the box” thinking to deliver assistance and information services to families in times of emergencies.

## Army Family Action Plan

For the 18th year, grassroots delegates from the active, National Guard, and Reserve components convened AFAP conferences at installations, regional locations, and MACOMs to assess Army standards of living. Soldiers, family members, retirees, and DA civilians reviewed Army well-being issues and submitted the most critical to the worldwide AFAP conference. These issues pinpoint well-being concerns of soldiers and families and help Army standards of living keep pace with the changing times. The focus of AFAP issues in 1984 was on family day-to-day living. For the last 5 years, medical and dental issues dominated, but in 2001 the focus shifted to "soldier" issues, such as assignments, deployment medication, and military savings pay (Figure 4-2).

The FY01 National Defense Authorization Act provided many benefits advanced through the AFAP process: military participation in the Federal Thrift Savings Plan; chiropractic services at selected locations; elimination of TRICARE Prime copayments and expansion of TRICARE Prime Remote to active duty family members; reduction of the catastrophic cap for retiree health care from \$7,500 to \$3,000; TRICARE for Life for seniors over 65; and retiree access to retail and national mail order pharmacies. Policy changes also resulted from AFAP issues, such as allowing soldiers to request tour stabilization if they have a graduating high school senior.

In FY01, funding was approved for joint AFAP/AFTB positions at power projection/support platforms and forward deployed installations. Training for these personnel was conducted in USAREUR, USARPAC, and FORSCOM, and future training is available upon request. Positions at other installations will be funded within two years.

AFAP Field Issues		
1984	2000	2001
19% Family Support	26% Medical/dental	26% Entitlements
19% Relocation	20% Force Support	23% Medical/Dental
12% Civilian Employment	19% Entitlements	12% Civilian Employment
12% Medical/Dental	10% Civilian Employment	11% Family Support
12% Child & Youth	9% Family Support	11% Child & Youth
10% Housing	9% Child & Youth	10% Force Support
10% Other	7% Other	7% Other

Figure 4-3

Baseline standards for AFAP were a first step in measuring program effectiveness. An AFAP accreditation checklist builds on those standards by enumerating components of an effective program and the indicators that will ensure consistent and high quality programs. AFAP accreditation will be tested in FY02 and formally launched in FY03.

Program initiatives for FY01 included a strategic action plan, outcome measures, and an AFAP regulation. Goals in the strategic action plan call for developing and sustaining a professional and volunteer work force, integrating AFAP into the Reserve component, and increasing Army constituent awareness and involvement in AFAP.

AFAP provides the "voice" for families and remains the preeminent means for commanders to seek solutions to the concerns of their communities. The program's effectiveness is seen in the results to date: 69 changes to legislation, 130 policies revised or established, and 127 improvements to programs or services.

The HQDA conference scheduled to begin in October 2001 was rescheduled to March 2002 due to the events of September 11<sup>th</sup>. The normal AFAP cycle resumes with the Fall conference scheduled for 18-22 November 2002.

## Army Family Team Building

Army Family Team Building is the Army's primary family member readiness training program. AFTB consists of standardized training that provides family members of active and reserve components the information, knowledge and skills to be self-reliant. The strength of the program resides in its strong volunteer and senior spouse involvement. During FY01, AFTB introduced training to Latin American family members as part of a U.S. military and Latin America cooperation initiative. A total of 81 family members from Guatemala, Ecuador, and Bolivia were trained.

Since 1994, AFTB has trained 4,450 volunteers from active and reserve components as Master Trainers, or about 550 annually. The demographics of these Master Trainers reflects 3,418 active and 1,032 reserve component personnel. Since 1994 and the adoption of an active train-the-trainer approach, AFTB Master Trainers have trained 150,000 family members worldwide.



The involvement of all participants is critical to program success.  
- Photograph by Don Parker

## Employment Readiness

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In FY01, Employment Readiness served 267,143 patrons at an average cost per customer of \$11.00. The program made 45,503 job referrals and helped secure paid employment for 7,750 family members, bringing in revenues of \$155M to Army households – a high return on Army dollars compared to total program funding of only \$2.97M. The program provided job search and career assessment counseling to 37,950 clients (6,623 soldiers, 19,918 family members, 5,657 DoD civilians, 3,748 retirees, and 24,307 other) and job skills training to 14,908 clients.

The services developed a joint strategic action plan at the 2000 DoD Spouse Employment Summit. The Army's implementation plan includes measures to standardize services and policies needed for accreditation; to ensure resources are sufficient to sustain the program as part of the Army's Well-Being Plan; to develop a broad spectrum of partnerships with private companies and organizations to provide employment opportunities for spouses that fit the "nomadic military lifestyle; and to develop an Army network of employment readiness program managers who will can link spouses to new duty stations to start the job search process prior to PCS moves.

## Exceptional Family Member Program

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The Exceptional Family Member Program works with other military and civilian agencies to provide community support, educational, medical, housing, and personnel services to families with special needs. In FY01, 43,000 sponsors and 54,000 family members were enrolled in the program. The program provided education, training and briefings for 76,427 individuals, conducted recreation and cultural programs for 36,625 individuals, and made 761 respite care placements.

## Domestic Violence Task Force

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The Defense Task Force on Domestic Violence was chartered by Congress to address domestic violence in the military (P.L. 106-65, Defense Authorization Act for 2000). Task Force work groups focused on community collaboration, education, training, offender accountability, victim safety, and program management. An initial report based on fact-finding visits to military installations was sent to Congress in November 2001. The Army and DoD supported 57 of the 68 recommendations made in the report. A second report from the Task Force was submitted to DoD in February 2002 with an additional 87 recommendations, but has not yet been forwarded to Congress. A final report is due to Congress in January 2003.

## New Parent Support Program

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The Army's New Parent Support Program is a child abuse and neglect prevention and education program mandated by Congress. The program is part of a DoD effort to prevent and treat family neglect and abuse by using home visitation to promote positive parenting and healthy families. The NPSP teams consist of licensed social workers and nurses who supplement existing programs. The NPSP teams' primary duties are home visitations to allow role modeling and one-on-one parent education.



Family Advocacy programs provide parents with skills that foster good relationships.

- Photograph by Anne Sellmansberger

## Family Advocacy Program

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Family violence statistics in the Army continue to decline, with 2,601 substantiated cases of child abuse in FY01 compared to 3,494 in FY97. Given child population for FY97 (450,519) and FY01 (450,046), the Army rate of substantiated child abuse decreased from 6.7/1,000 to 5.1/1,000 (based on initial substantiated cases) – much less than the 14/1,000 in the civilian community reported by the National Committee for the Prevention of Child Abuse.

There were 4,060 substantiated spouse abuse cases in FY01 compared to 6,698 in FY97. Comparing the populations of married persons (soldiers and spouses) for FY97 (595,094) and FY01 (527,688), the rate of substantiated spouse abuse declined from 9.4/1,000 in FY97 to 6.5/1,000 in FY01. Comparisons with the civilian sector are not possible, as there is no central database for spouse abuse.

## Transitional Compensation for Abused Dependents

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To reduce deterrents to report abuse, in FY94 Congress established the Transitional Compensation program for abused dependents of military personnel. This legislation authorizes temporary payments at the rate specified for Dependency and Indemnity Compensation for families in which the soldier is discharged administratively or by court martial for a dependent abuse offense. Payments are for a minimum of 12 months or until the soldier's ETS date, whichever is longer, but may not exceed 36 months. Applications and documentation are completed through the installation ACS Family Advocacy program and Staff Judge Advocate staffs, then forwarded to CFSC for legal review and approval prior to initiation of benefits. In FY01, 168 families received \$2.6M in benefits.

## Financial Readiness

The Financial Readiness Program assists commanders in establishing educational and counseling programs for personal financial affairs. Through classes on money management, credit, financial planning, insurance, and consumer issues, the program teaches soldiers self-sufficiency, reduces indebtedness, and lessens demand for emergency financial aid. Personal financial counseling was received by 12,781 individuals, reducing soldier debt by \$7.4M.

Program services include mandatory financial readiness for first-term soldiers through classes on money and checkbook management, banking, debt liquidation, credit, saving and investing, financial planning for deployment, budget development, and record keeping. Other services include consumer complaint resolution, public information and outreach, income tax assistance, emergency food assistance, holiday food basket and toy program, and utility waiver assistance. Future initiatives include family subsistence supplemental allowance, staff certification, a financial distance learning program, and a financial planning for a PCS video entitled "Moving and Money."

## Mobilization and Deployment Support

Commanders identify family readiness as a critical need through predeployment, sustainment, and post deployment. Family readiness efforts in many units have become more sophisticated since Operation Desert Storm, with MDS available to family members at or near their hometown or installation. The goal is to encourage families to function successfully within the Army support network at a time when lengthy deployments are common. Self-reliant families use Army support programs and can handle the challenges of both planned and unplanned separations.

Operation READY (Resources for Educating About the Deployment and You) materials on the Army MWR website have been translated into German, Spanish, and Korean.

## Relocation Readiness Program

The Relocation Readiness Program focuses on first-term soldiers and their spouses through services that ease the stress of relocation. The most widely used service is the Standard Installation Topic Exchange Service. When soldiers, civilian employees, and their families relocate, SITES provides information about the next duty station and nearby civilian communities and a "real time" welcome packet. More than 200,000 families also made use of ACS lending closets, and 131,000 individuals attended welcome orientations.

The Third Annual Joint Services Relocation Readiness Conference was held in San Antonio, Texas, May 2001, attended by 275 personnel. The USACFSC also delivers an annual Relocation Readiness Managers' Course at the MWR Academy. The Army continues to encourage program managers to obtain certification through the Employee Relocation Council.

Financial Readiness classes help soldiers and their families manage their finances.  
- Photograph by Ralph Nordenhold



## Volunteer Program

The United Nations dedicated 2001 as the International Year of Volunteers. Each year thousands of Army volunteers contribute to the well-being of soldiers and their families by donating their time to installations and the civilian community. This year Army volunteers were recognized by the civilian community, military-affiliated groups, and the Department of the Army:

### Army Volunteer Recognition in 2001

Make A Difference Day		
12,000 Volunteers - 135 Projects	Fort Hood, Texas	
2,100 Volunteers - 100 Projects	Hawaii Army Installations	
Emma Marie Baird Award		
John D. Barnard	Fort Sam Houston, Texas	
Carmen London	Fort Bragg, N.C.	
Evelyn Majauskas	USAREUR Multiple Sites	
Very Important Patriot Award Program		
Stephenie Palmer	Giebelstadt, Germany	
Daily Points of Light Award		
Patners in Education Program	Fort Meade, Md.	

Figure 4-4

The Honorable Charles S. Abell, Assistant Secretary of Defense for Force Management Policy, assisted in the presentation of \$45,000 in grants to 12 private organizations for programs that improve military quality of life. Recipients of "The Newman's Own Award Recognizing Private Organizations" were honored at the Pentagon's Hall of Heroes. Award sponsors (Fisher House Foundation, Military Times Media Group, and Newman's Own -- an organization headed by actor Paul Newman) challenged private and nonprofit groups to develop innovative ways to improve the quality of life for the military community and awarded grants of \$2,000 to \$10,000 per organization to carry out those plans.

Three grants were received by organizations associated with Army installations:

- A \$5,000 grant to "Adopt-A-Platoon," sponsored by the Northern New York -- Fort Drum Chapter of the Association of the U. S. Army, will be used for community involvement and support to deployed units of the 10th Mountain Division (Light Infantry). More than 170 organizations have adopted 1,000 platoons, affecting the quality of life of 30,000 soldiers and their family members.
- A \$3,000 to The Military Child Education Coalition of Harker Heights, Texas (outside the gates of Fort Hood) will be used to address the educational needs of military children in the transition from one school to another.
- A \$2,500 grant to Fort Bragg/Pope Air Force Base Armed Services YMCA will be used by military police to benefit at-risk military children.

## COMMUNITY RECREATION

### 2000 - 2001 Army Recreation Awards

#### Outstanding Installations

Small	Ft. McCoy, Wis.
Medium	Wiesbaden, Germany
Large	Fort Lewis, Wash.

#### Outstanding Programs

Arts and Crafts	Schweinfurt, Germany
Automotive Skills	Fort McCoy, Wis.
Entertainment	Vicenza, Italy
Libraries	Giessen, Germany
Outdoor Recreation	Presidio of Monterey, Calif.
Recreation Centers	Hohenfels, Germany
Sports and Fitness	Fort Lewis, Wash.

#### Outstanding Employees

RDS Program Team	Giessen, Germany
Employee of the Year	Jean Morrison (Wiesbaden, Germany)
Career Employee of the Year	James Ehrenreich (104th ASG, Germany)
Volunteer of the Year (2)	Steven Pedersen (Fort McCoy, Wis.) SFC Edward A. Johnson (Bosnia)

Figure 4-5



The cast of the BRAVO! theatre touring company. Top to Bottom: Spc. Jason King, Spc. Travis DelMatto, and Pfc. Derek Shannon - Photograph courtesy of USACFSC Public Affairs

## Entertainment *"Entertainment for the Soldier by the Soldier"*

The Army Entertainment Detachment was activated in FY01, providing a military structure to manage assigned and attached soldiers. The AED increased direct support to installation entertainment programs where activity grew for the fourth consecutive year with the addition of two new programs. Direct support of field activities with installation copyrights and royalties increased from \$160K in FY00 to \$251.6K in FY01 – primarily due to a 52 percent increase in theatre activity at installations.

The USA Express band fielded two units of eight military entertainers on two-month tours. The first group toured the east coast before deploying to Alaska, Korea, Japan, Okinawa, and Hawaii. The second unit supported the U.S. Army Recruiting Command before traveling to Iceland, the Balkans, Germany, and Belgium. The tour bands entertained 30,000 personnel at 96 performances. At the Battle of Bands in Washington, DC, contestants from around the world competed for \$27K in prize monies to benefit installation recreation programs. Bands from Camp Humphries, Korea, won first and second places.

The 2001 U.S. Army Soldier Show celebrated its 83<sup>rd</sup> anniversary. The 2001 theme, "We Are One," became especially relevant after September 11<sup>th</sup>. The Soldier Show staged 100 performances at 52 locations in CONUS and Asia, entertaining 120,000 audience members. The OCONUS tour included a debut performance on Guam sponsored by the Guam Army National Guard and the office of Congressman Robert A. Underwood.



The 2001 Soldier Show included skits based on the "Austin Powers" spoof and USO tours from the past. - Photograph by Harriet Rice

The BRAVO! Army Theatre Touring Company fielded its first production in November 2000 with a musical production of *Play Ball!* — an original work by Army entertainment staffer and volunteer Bonnie Daniels. The soldier cast and crew entertained more than 6,000 people at 44 installations in Italy, the Balkans, USAREUR, and CONUS. The AED also supported community theatre with assistance to installations participating in the American Association of Community Theatre. The AED funded the entry of Heidelberg's Roadside Theatre's production of *W\*T* in the National One-Act Play Festival, and supported expansion of the USAREUR One-Act Play Festival to an all-OCONUS event by funding an entry from Yongsan, Korea.

The Army Summer Concert Tour presented 14 "big-name" concerts at CONUS installations with a diverse line-up of country, rock and alternative music talent. The artists included John Michael Montgomery, Diamond Rio, Ted Nugent, Lynyrd Skynyrd, and a surprise guest appearance from Hootie and the Blowfish at Fort Jackson. However, overall tour attendance and income were down, mirroring the industry as a whole. Based on 2001 results, the 2002 concert series will be reduced to 10 installations. Army entertainment also provided special events training and direct technical support for installation concert events.



The 2001 Army Summer Concert Tour included musical stars such as Uncle Kracker (L) and Sugar Ray (R). - Photographs by Pierre Laxa



Spc. Jill Bakken, Spc. Shauna Rohbock



Army four-man bobsled team



Sgt. Kristina Sabasteanski



Spc. Andrea Nahrgang

## World Class Athlete Program

In FY01, the World Class Athlete Program focused on preparing athletes for the Winter Olympic Trials slated for December 2001.

Last season, the women's bobsled team of Spc. Jill Bakken and Spc. Shauna Rohbock was besieged by injuries. Spc. Bakken ran the final World Cup in February with another brakeman (civilian Kristi McGihon), capturing a bronze medal, and the duo started the 2001/2002 season with a gold medal at the U.S. National Championships. However, Spc. Rohbock did not qualify for the Olympic trials. Spc. Bakken and civilian Vonetta Flowers earned a spot on the 2002 U.S. Olympic team.

The WCAP biathletes swept the field at the 2001 U.S. Biathlon National Championships. Sgt. Kristina Sabasteanski captured gold medals in the women's 15Km Individual and 10Km Pursuit, with Spc. Andrea Nahrgang taking silver in both races. The men captured the top six places in the 20Km Individual race and the top four places in the 12.5Km Pursuit. During Olympic Trials, Sgt. Sabasteanski, Spc. Nahrgang, Sgt. Lawton Redman, and Spc. Jeremy Teela all earned spots on the Olympic team.

Soldier athletes also began training for the 2004 Summer Games slated for Athens, Greece. The wrestling team won the Division I Greco-Roman team title at the national wrestling championships. Sgt. Dominic Black and Sgt. Keith Sieracki captured gold medals; Spc. Jason Loukides and Spc. Dreimel Byers took silver; and Spc. Jason Kutz and Spc. Glenn Nieradka took bronze. Spc. Paul Devlin also won a silver medal at the Pan American Championships, in Santo Domingo, Dominican Republic.



Sgt. Dominic Black



Sgt. Keith Sieracki

1st Lt. Dan Browne took third place at national championships to qualify for the World Cross-Country Championship and went on to win the U.S. Half-Marathon and the U.S. 20Km Championships, finishing the year ranked as the number one road racer in the U.S. for 2001. Spc. Shawn Found also qualified for the Olympic Marathon Trials with a fourth place finish at the nationals.

Spc. Scott Christie won the U.S. Modern Pentathlon National Championships and joined with Spc. Kevin Montford to win the team medal at Division I U.S. National Fencing Championships. Spc. Montford took silver in the individual Division II Championships. Spc. Christie, Spc. Montford, and Spc. Brett Weatherbie captured silver and bronze team medals at the Conseil Internationale du Sport Militaire Modern Pentathlon Championships in Germany.

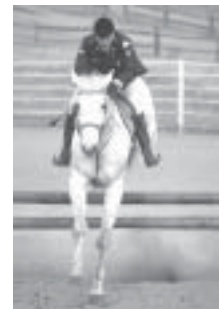
Spc. Al Heppner captured a bronze medal at the 15Km National Racewalking Championship before taking silver at the U.S. National 5Km Racewalking Championship and bronze at the National Two Hour Racewalking Championship. Spc. Heppner also represented the U.S. at the World University Games in Beijing, China. PFC John Nunn won the U.S. 10Km National Championship.

A newly formed boxing team ended the year by medalling at the national Police Athletic League Championships. Staff Sgt. Marshall Christmas and Sgt. Deandry Abron captured gold in their weight categories; Sgt. Torrence Daniels and Sgt. Corey Bernard captured silver; and Spc. Josh Dahl, Spc. Miquel Albares, Spc. Eric Prindle, and Spc. Rondale Mason captured bronze medals.

Three WCAP soldiers were nominated for the U.S. Olympic Committee Sportsman and Team of the Year awards by their respective national governing bodies: Spc. Jeremy Teela - biathlon, and Sgt. Sgt. Keith Sieracki and Spc. Jason Loukides - senior Greco-Roman world team.



SPC Jeremy Teela



SPC Scott Christie

## Sports and Fitness



The 2001 Armed Forces Rugby Championship, Fort Leonard Wood, Mo.  
- Photograph courtesy of Fort Leonard Wood Public Affairs

The USACFSC centrally-funded annual training for Army sports and fitness personnel in conjunction with the 2001 Athletic Business Conference. This training led to nationally recognized certification for 100 installation professionals as physical fitness specialists. Sports Administration Training developed by the Army was also provided.

Army sports and fitness staff worked with the Corps of Engineers, MACOM, and installation staff to develop a new standard design for fitness facilities. This design incorporates a modular concept that allows installations to easily renovate existing facilities to meet facility standards. The modular concept also provides communities flexibility in design layout.

Army fitness facilities are included in the Army Facility Strategy program. Each MACOM submitted their priorities for new construction or renovation projects to the Army for prioritization with other major construction projects within the AFS. The AFS plans to bring Armywide physical fitness facilities up to standard within ten years.

The USACFSC implemented an improved data collection system to assist installation personnel in rating recreation programs on Army baseline standards. This instrument will also serve as a tool for sports and fitness personnel, as well as commanders, to identify shortfalls and articulate future resource requirements.



Spc. Darren Poole, All-Army shortstop from Camp Humphries, Korea, chases this ball down.  
- Photograph by Sgt. Kap Kim

## Community Recreation Centers

Community Recreation Center programs, after declining in recent years, expanded in FY01 with the addition of three new centers. These centers were established to meet the needs of single soldiers as well as other community personnel.

The annual Army Chess Competition led to the re-establishment of the Interservice Chess Competition. This year military members from the Navy and Marine Corps vied with the Army for positions to represent the United States in the North Atlantic Treaty Organization military chess competition. The Army was victorious, winning the first three places in the competition. In FY02 the Air Force will join the competition.

Recreation programs in community recreation centers are focusing on meeting the needs of customers in the most efficient and effective way. To support this effort, a Learning Resources Network course of instruction, the Program Management Institute, has been offered Armywide. This training provides recreation personnel with instruction in finances, learning and teaching, marketing, needs assessments, program development and analysis, and program management. Additionally, through a benefits-based programming model, staff can focus on identifying, documenting and articulating the benefits of the recreation programs for the military community.

The construction of community activity centers continues with projects for several centers in 8<sup>th</sup> Army. Community activity centers offer a single point of contact for information and activities that include a variety of programs in MWR, such as snack bars, cyber cafes, TV rooms, and arts and crafts facilities. To facilitate the planning and development of projects for community activity centers, nine community recreation center personnel from various MACOMs attended the Missouri Park and Recreation Facility Design Course. This course showcases several municipal programs from concept to actual operation.



Sgt. Rudy Tia took first-place in Army chess competition and went on to capture first-place in interservice chess championships.  
- Photograph courtesy of Army News Service

## Better Opportunities for Single Soldiers



Soldiers at the 2001 BOSS conference "dressed to the 9's", although their civilian wardrobes seemed slightly out of date.  
- Photograph courtesy of USACFSC Community Recreation

Better Opportunities for Single Soldiers supports the well-being of single and unaccompanied soldiers. As an integral part of the Army's recreation program, BOSS utilizes the recreation delivery system to build demand-driven programs for its customer base.

The theme of the 2001 Armywide BOSS conference was *"BOSS, Teamwork Makes the Dream Work."* The conference began with a 70s-theme social and soul-train line, with attendees dressing the part. Day one saw a visit from "Sarge", the Army's dragster sponsored by the Army Recruiting Command. On day two, September 11<sup>th</sup>, the entire mood of the conference changed. Senior soldiers were a pillar of strength, but all participants responded: soldiers volunteered to give blood; several with emergency room specialties volunteered to go to Walter Reed Army Hospital; one soldier composed and recited a poem of remembrance; a group of soldiers put together a video from television images and sang "It's So Hard to Say Goodbye to Yesterday". The soldiers quickly bonded into a team.



Tony "The Sarge" Schumacher, the number two Top Fuel dragster, visited the 2001 BOSS Conference.  
- Photograph courtesy of USACFSC Community Recreation

The program conducted rejuvenation workshops in 2001 that focused on establishing and maintaining partnerships with MWR programs and other divisions on an installation. During the workshops, soldiers were given VIP tours of installation facilities and reviewed the many services and programs offered on their posts, such as MWR, dining (a.k.a. mess halls), public works, logistics, Provost Marshal's office, and post Chaplain services. After the tours, soldiers brainstormed ways to sustain and improve the installation BOSS program and presented this data to the installation chain of command. Such workshops proved very effective in rejuvenating installation BOSS programs and establishing an invaluable dialog between soldiers and community support programs.

The *BOSS News and Views* and the BOSS Desk Reference are available for downloading directly from the BOSS web sight at: <http://www.armymwr.com/booss>.

## Information, Ticket and Reservation

In FY01, Army Information, Ticket and Reservation offices achieved financial parity with commercial travel services. Commercial travel services' NIBD fell for the 7<sup>th</sup> consecutive year, realizing \$.97M in FY01 compared to \$1.42M in FY00. For the same period, Army ITR reported NIBD of \$1.07M – a fifth consecutive year of positive income – compared to \$800K in FY00.

In August 2001, most airlines capped commissions at \$20 for round-trip tickets and \$10 for one-way. As a result, average commissions fell to less than 3.5 percent, which pressured contractors to raise transaction fees. The first half of the year saw continued growth of on-line travel web sites. After September 11 booking via on-line travel sites fell slightly but not as severely as the drop experienced by traditional agencies. Most leisure travel contractors on Army installations reported a fall-off of between 12 percent and 20 percent compared to the previous year, far better than the 35 percent drop reported in the private sector. Army Materiel Command awarded a contract that provides monthly flat-fee payments to two IMWRFs and a transaction fee of \$18 to customers. Most Army contracts provide for transaction fees in the range of \$10-to-\$12. About 62 percent of income from commercial travel in FY01 was from OCONUS sites, but even these revenues were down one-third from previous years. The Army's leisure travel web site, [www.offdutytravel.com](http://www.offdutytravel.com), hosted 6,000 visitors a day in 2001.

In 2002, ITR income will be affected by *Operation Enduring Freedom* and the travel and entertainment industries' recognition of the American military. Walt Disney World®, Disneyland®, Universal Studios® (Hollywood and Orlando) and Sea World® Orlando and Busch Gardens® Tampa Bay are offering free admission to active duty military personnel, with tickets discounted 50 percent for accompanying family members. These attractions comprise a significant portion of sales for ITR offices, but loss of this business will post a particular hardship on bases in the Southeastern and Western U.S. Some ITR offices will begin selling cruises in 2002 and using this revenue to partly offset the anticipated loss of ticket sales in the coming year. To increase revenues, installation managers should diversify leisure travel programs and increase emphasis on group tours and tours tailored to affinity groups.





Picatinny Arsenal's ODR team can hook you up with ride down the Gauley River, W. Va., if you can handle class V speed. These adventurers, having just lived through the "Room of Doom", were bracing for impact on Pillow Rock.

- Photograph courtesy of Picatinny Arsenal ODR

## Outdoor Recreation

Outdoor recreation continues to grow in popularity on military installations, mirroring a national trend of increased participation. The 2000 Leisure Needs Survey shows that ODR programs received a high rating as a major recreational outlet for soldiers, family members, and civilians. The correlation between ODR and the military mission is based on elements of adventure, wellness, and fitness. Installation ODR staffs provide a variety of quality equipment, introductory classes, and specialized programs to meet customer needs and interests. High adventure and wilderness activities such as wilderness survival, rock climbing, and white-water rafting top the list of patron interests. The trend toward "X games" activities is drawing youth and young soldiers faster than any other user group.

Annual program training was conducted for the first time since 1994 for 85 installation representatives from ODR, AFRCs, and youth services. The 48 hours of training included nationally-recognized certification in either "Leave No Trace" or "Wilderness First Aide." The first group of 14 recreational vehicle and campground managers completed half of a two-week course leading to certification as park operators.

Outdoor Recreation total NAF field operating costs were \$37.8M in FY01. The NIBD for FY01 was \$9.6M from net revenue of \$47.3M. Direct APF support for ODR was \$13.7M, which is up from \$12.9M executed in FY00.

## Libraries

Total APF support for libraries was \$24.5M in FY01, down \$.6M from FY00. This support covered the cost of labor, supplies, equipment, technology, and development of library collections/services. Excluding USA monies, NAF support of \$.2M (down from \$.3M in FY00) funded staffing and other operating costs where APF shortfalls existed. Overall NAF operating costs were less than one percent of total program funding (APF and NAF).

Libraries are the installation's corporate database and knowledge manager. Up-to-date collections support Army and organizational missions, leisure needs, and off-duty education. With electronic resources and in-house materials, information is available 24 hours a day, 7 days a week. Facilitated by USACFSC central purchases, full-text on-line commercial databases are accessible through the Army Knowledge Online portal and individual library web pages. With AKO, soldiers can access these databases at anytime from anywhere. The 2001 Survey of Army Families reported libraries as the most used Army MWR program and the most important to enhancing quality of life. Through the Sample Survey of Military Personnel, soldiers reported that they primarily use libraries for research, reference, and education needs.

Contingency libraries and reading rooms/areas support soldiers assigned to remote locations, including combat and peace operations. Reading rooms primarily contain paperback books, while contingency libraries contain hardcover and paperback books, computers for email and Internet access, magazines, best sellers, online database services for education support, and books from the Army Chief of Staff's recommended reading list. Three libraries are currently operating in Bosnia; one library is available at Monteith, Kosovo, and another library is planned for Bondsteel, Kosovo.

Reference materials and paperback book kits provide critical information resources to communities and boost the morale of deployed soldiers. The USACFSC centrally purchased materials in FY01 that saved the Army \$3.6M (53 percent of the original cost). Similar savings were accorded the Marine Corps and the Navy through an inter-service support agreement. E-books for customer use, to include web accessible full-text titles, are currently being tested at fifteen Army libraries and, if successful, will be fielded globally to all Army libraries.

The FY01 assessment of MWR baseline standards determined that most libraries are rated "red" in the critical areas of staffing, training, materials resources, and automation. The USACFSC has prepared Program Objective Memorandum input to position dollars in the out-years to bring libraries up to core standards. Results from this assessment were also imported into ISR 3 (Services) - another tool for commanders to evaluate programs.

The Army General Library Steering Group refocused the Library Strategic Plan and established work groups to review library accreditation, implementation of regional integrated library systems, and centrally managed Internet access. AMC and MEDCOM hosted the 2001 Army Library Institute held in San Antonio, Texas, which focused on digital services, copyright in the digital age, and knowledge management. Competitive developmental assignments were available for librarians throughout the year using Army Civilian Training, Education, and Development System funds.



During the Fort Dix annual Family Funfest, children at the Youth Center participate in "Operation Healing Arts".  
- Photograph by Jan Corbo



Jim Kidd teaches automotive skills staff the proper use of exhaust emission test equipment during training at the USAREUR MWR Academy.  
- Photograph courtesy of USAREUR MWR Marketing

## Arts and Crafts

As Americans worked through the healing process following the events of 11<sup>th</sup> September, Army arts and crafts adopted a creative outlet for members of the military family. Operation Healing Arts USA was designed by Delaware-based artists Marietta Dantonio Fryer and Joel T. Keener to gather people together to create and design an American flag or a patriotic banner made out of individual fabric squares. The projects will be finished and ready for display in time for Flag Day 2002. At many installations the arts and crafts program partnered with installation child and youth services and other local organizations such as the Girl Scouts or Boy Scouts.

More than 100 arts and crafts professionals attended annual program training at Fort Hood, Texas, joined by representatives from Fort Hood Child and Youth Services and Marketing programs. Twenty-three hands-on sessions allowed attendees to customize training to their needs. Students learned new ways to promote Army craft centers, ideas for class offerings, methods of organizing customer mailing lists and inventories, how to move slow-selling inventory, and new ideas for shop layouts. Internationally renowned guest instructors provided courses in retail merchandising, children's healing arts, woodturning, digital photography, glass surface etching, glass carving, glass gold leafing, decorative painting, precious metal clay, airbrush techniques, creative crafts stamping, frame shop organization and operation, shadow boxes, photography and digital imaging, calligraphy in picture framing, preservation framing, design basics, operational basics, and a certified professional framer exam.

The Arts and Crafts program conducts three annual Armywide competitions to share work, showcase skills, and recognize talent. The 2002 Army Photography Contest, with entries from installation to Headquarters, Department of the Army, will be hosted by Fort Campbell, Ky., in March. Competition in fine arts and design are held on alternate years. The Army Fine Arts Competition will be held in February 2002 at Yongsan, Korea. Entries will be accepted in 2002 for the next Army Photography Contest and the Army Designer Craftsman Competition.

Total FY01 program execution was \$11.2M (\$5.4M APF and \$5.8M NAF) with an NIBD of \$677K.

## Automotive Skills

In FY01, APF execution for automotive skills dropped from \$7.8M to \$7.7M, down two percent from FY00. This included \$1.5M executed through Utilization, Support and Accountability practices (\$1.4M in labor and \$100K in other operating expenses). Program NAF financial performance improved significantly in FY01 with NIBD of \$2.5M, up \$500k from FY00. Gross income from operations exceeded \$11.1M (up \$1.4M from FY00), with only a modest increase of total operating expenses to \$8.7M (up \$830k from FY00).

The amount reported as APF support shortfall grew from \$452K in FY00 to \$491K in FY01. However, when direct APF support and NAF operating expenses are compared to a DoD standard requiring 65 percent APF funding for category B activities, the APF funding deficit exceeded \$2.9M. The burden of an APF deficit is borne by program patrons in the form of inflated user fees. An APF shortfall of any amount undermines the value soldiers derive from the program.

Staffing figures for FY01 show 453 employees (125 APF and 328 NAF), a net reduction of 4 positions from FY00 (145 APF and 312 NAF). Of the 16 APF positions that migrated to NAF, approximately half were covered by the MWR USA practice for labor.

A facility survey initiated in FY01 identified 90 automotive skills facilities operating 1,350 indoor and 1,400 outdoor work bays. The majority of programs operate car wash facilities, with numerous locations engaging in repair-for-free mechanic services and six locations operating strip yards. Patrons clock more than 3.9M hours annually in automotive skills shops. On average, soldiers save \$40 per hour, or \$156M annually, on repair costs when compared to commercial garage rates.

The Fort McCoy, Wis., Automotive Skills Center was recognized as the outstanding automotive skills program of the year for 2000–2001. A new 4-bay, 3,700 square foot facility opened in the Dexheim sub-community of Wiesbaden, Germany. Numerous shops made progress with mechanic certification through the National Institute for Automotive Service Excellence, broadening the expertise of staff and their value to our customers.

## BUSINESS PROGRAMS

James A. Carroll, Jr. Awards	
<b>Officer's Club</b>	
Lokesh Singh	Fort Myer, Va.
<b>NCO Club</b>	
Bernice Smith	Fort Benning, Ga.
<b>Community Club</b>	
Donna Humfleet	Blue Grass Army Depot, Ky.
<b>Food, Beverage, and Entertainment</b>	
Betty Beinkemper	Fort Polk, La.
<b>Theme Concept Outlet</b>	
Michael Kirkbride	Menwith Hill Station, U.K.

Figure 4-6

2000 Excellence in Management Awards	
<b>Golf</b>	
Bobby Kaerwer	Fort Bliss, Texas
Jerome Hesby	Fort Buchanan, Puerto Rico
<b>Leisure Travel</b>	
Thomas Clement	Carlisle Barracks, Pa.
Ronald Fisher	Fort Sill, Ok.
<b>Bowling</b>	
David Stine	Carlisle Barracks, Pa.
Lucretia Nickelson	Fort Lee, Va.
Randall Blanchard	Fort Wainwright, Alaska
Georgie Lawrence	Fort Leonard Wood, Mo.
<b>Most-Improved Facility</b>	
Rodger Leasure	Fort Myer, Va.
<b>Business Manager</b>	
Shotti Kawlra	Fort Myer, Va.
Frankie Stull	Menwith Hill Station, U.K.

Figure 4-7

## Food and Beverage Operations

With more than 280 facilities operating worldwide, Army food and beverage operations continue to be a vital part of installation business programs. Army food, beverage, and entertainment operations, to include club, theme operations, and non-theme programs generated an NIBD of \$11.5M from total revenues of \$187.3M.

Clubs and non-theme food, beverage, and entertainment (CFBE) operations provide a wide variety of programs and services, enhance unit readiness, and support community social needs. These operations produced \$10.5M NIBD, up from \$9.4M in FY00. Total revenue increased from \$170.5M in FY00 to \$173.9M in FY01, with the largest increase in bingo operations. Both FORSCOM and TRADOC had significant increases in total revenue. The CFBE program achieved an NIBD percentage of six percent, slightly below the BOD standard of eight percent for clubs. The BOD standard was monitored in FY01 and implemented in FY02.

By the end of 2001, 36 Army-branded and 19 Orion theme operation restaurants were open. These restaurants, both full-service and quick-service, have changed the face of food and beverage service on installations and have improved the profitability of the program. Total FY01 revenue in theme operations exceeded \$16.4M, with a \$1M NIBD.

The name brand fast food program gives Army installations the ability to respond to market demand by offering soldiers and their families nationally-recognized quick-service chain restaurants in MWR facilities. AAFES and MWR are partners in this joint-venture, coordinating on installation assessments that prepare installation market and financial analysis and determine food service needs. In FY01, 19 installation assessments were completed, with six installations showing potential for this partnering initiative.



The newest theme operation, introduced in FY01, is the Reggie's Pub concept. Smaller in size than the original Reggie's Beverage Company, prototype designs for 50-seat, 100-seat and 150-seat lounges provide a warm atmosphere and a high-quality menu featuring made-to-order oven fresh pub-style sandwiches and side dishes. Patrons will also enjoy games, pool tables, and entertainment in a comfortable and relaxed atmosphere. An optional micro-brewery feature can also be added to the package.

A name brand casual dining initiative was developed to meet an increasing demand for sit-down dining and to generate maximum revenue for installations. The USACFSC is exploring development of a basic ordering agreement with name-brand national food service companies; once finalized, installations will be able to order through the centrally-managed agreement.

Continued improvements in the Army's food and beverage operations are partly due to the Joint Services Prime Vendor Program. In FY01, the program served 210 DoD installations and bases, with a total purchasing volume of \$86M. Agreements with food distributors saved participants a total of \$11.5M in FY01.



Ms. Sue Phimchinda, Ladies Division Champion, is recognized by Lt. Gen. James Hill, CG of I Corps and Fort Lewis, during the Salute to the 2001 Army Golf Champions competition.  
- Photograph courtesy of Fort Lewis Public Affairs

## Golf

In spite of unseasonably cold and wet weather in FY01, Army golf patrons still managed to record over 2.1 million rounds at the Army's 56 golf courses. The Army courses, ranging from 9-hole to 45-hole complexes, achieved an NIBD of \$8.4M on total net revenue of \$68.1M, or 12.3 percent — less than the MWR BOD standard of 16 percent. The major factor impacting profitability was an increase of \$1.2M in labor costs from FY00 in order to ready the courses after adverse weather in the first three months of play. Golf financial and operational performance was heavily impacted by the September 11<sup>th</sup> tragedy. Profits were down \$943K for the month of September, as compared to a year ago. In spite of this, year-to-date NIBD improved for USARSO, USAREUR, and USMA from FY00 to FY01.

Training continues to be a high priority for the Army golf program. Both the golf managers and course superintendents participated in the CFSC Business Managers, PGA/ Armed Forces Golf Managers, and Golf Course Superintendents courses with all four services in attendance at the latter two. The USACFSC also worked to improve the overall program by centrally funding membership in the National Golf Course Owners Association, completing the first capital lease of an irrigation system at Aberdeen Proving Ground, Md., and a capital lease of golf carts at Forts Rucker, Leonard Wood, Polk, and Lee. Preservation of golf course infrastructure continues with golf course maintenance facility projects funded at Forts Carson, Polk, and Stuttgart, Germany. Fort Lee enjoys an additional 9-hole expansion and other course improvements that came on-line in July 2001.

Restricted installation access for civilian and other off-base golfers due to force protection measures is a major concern for the future. Approximately 40 percent of Army courses are open to the general public for play. The loss of daily fee income from these patrons may have a tremendous impact on the profitability of many installation golf courses.



Staff Sgt Timothy Adams, Fort Carson, Colo., sits on his new Harley-Davidson Sportster won in the Bowl Hog Wild bowling promotion.  
- Photograph courtesy of USACFSC Business Programs

## Bowling

In FY01, Army bowling patrons bowled 8.9M lines on 1,838 lanes in 106 bowling centers, producing \$44.5M net revenue and \$6M NIBD for the total Category B and C bowling programs. Actual NIBD recorded for FY01 would have totaled \$7.3M, or 16.4 percent of net revenue, but a facility closure at Fort Hood resulted in a one-time \$1.3M write-off that impacted the Army's aggregate bowling NIBD. Excluding the Fort Hood write-off, the Category C bowling program would have reported a NIBD of \$5.7M, or 15.6 percent of net revenue, just short of the FY01 BoD "green" standard of 16 percent. The Category C bowling standard increases to 17 percent in FY02.

A new 48-lane family entertainment center opened in June at Fort Hood, Texas, offering a state-of-the-art design, glow bowling, and the latest in lanes, pinsetters, and scoring equipment. Modernization of existing facilities continued to progress, with the following under construction for renovation and/or addition: Fort Belvoir, Va.; Fort Leonard Wood, Mo.; Fort Hamilton, N.Y.; Heidelberg and Stuttgart, Germany; and Camp Humphreys, Korea. Plans for seven other new or renovated centers were in development at Redstone Arsenal, Ala.; Fort Lewis, Wash.; Fort Campbell, Ky.; Fort Bragg, N.C.; Fort Gordon, Ga.; Baumholder, Germany; and Vicenza, Italy.

Strike Zone, the Army's themed bowling center snack bar, is located in bowling centers at Fort Shafter, Hawaii; Mannheim, Germany; Menwith Hill, England; Fort Myer, Va.; and Fort Hood, Texas.

The main focus for the future in Army bowling will be on training classes that will satisfy requirements of the new bowling center management certification program established in FY01. Managers will entice new patrons and solidify the existing customer base with more special event promotions designed for both the sport and recreational bowler. In addition, management information and point-of-sale systems will be evaluated, improved, and implemented.



Fort McCoy patrons enjoying Operation Passport, that pitted installation against installation in a race to become the Army's trivia champion.

- Photograph courtesy of Fort McCoy Marketing



Fort Hood soldiers recycle items through a "Buy Back" program that returns money earned from recycling to military units for recreational activities.

- Photograph courtesy of U.S. Army Public Affairs

## Events

The 2001 Salute to Army Golf Champions, sponsored by First USA, recognized over 100 installation golf champions from 41 installations. The promotion allowed managers to recognize their top golfers via a variety of installation-sponsored tournaments and events. Installation winners were selected in seven categories ranging from seniors to open to youth. Overall grand-prize winners for each category were identified using an algorithm that included overall score and course difficulty. The USACFSC provided installation winners with a custom made pewter bag tag, a keepsake poster that included the names of all the 2001 Army golf champions, and a \$75 golf proshop gift certificate. Each of the seven grand-prize winners was awarded a \$500 gift certificate.

In April, Operation Passport became a weekly pastime at 11 installations every Wednesday evening. The promotion partnered MWR with the National Trivia Network in an "installation against installation" competition. Patrons competed for a variety of prizes provided by Brown-Forman Corporation beverages. Customers could log on to the event website, [www.gione.com](http://www.gione.com), to chart rankings and to view wacky and fun photos from each participating installation. Fort Polk emerged as the overall winner of the event. In addition to their title as the Army's top trivia buffs, Fort Polk also won a free party for the installation and a travel packet of airline tickets, lodging and ground transportation.

Staff Sgt. Timothy Adams, 32nd Transportation Company, Fort Carson, Colo., was the winner of an 883 Harley-Davidson Sportster, Rusty Wallace Edition, in the Bowl Hog Wild bowling promotion. Targeted to adults as a late-summer event to attract traffic to military bowling centers, Bowl Hog Wild ran at 96 Army bowling centers. Featuring the Harley-Davidson motorcycle as the grand prize, each participating bowling center received promotional glassware and Miller Brewing custom Viz-A-Balls. This was a successful promotion even with the effects of September 11<sup>th</sup> on installation security.

Future initiatives include showcasing new ideas at the Fifth Biennial Garrison Commander and Director of Community Activities MWR Training Conference; publishing an event planning calendar of good ideas and management tips for business personnel, and creating new "Build Your Business" events and promotions for golf, bowling, and food and beverage operations.

## Recycling

As the recycling program matures, installation efforts are focusing on simplifying operations to reduce expenses and on expanding into other market areas such as selling the recycling rights for buildings slated for demolition. These changes will allow recycling programs to maintain current performance levels.

Most installations continue to report a profitable bottom line in recycling even though overall FY01 revenue was down 7 percent to \$7.3M with a \$1.7M NIBD. These numbers also reflect variations in marketability and pricing of recyclables items and the timing of transfers from the installation recycling suspense account to the recycling program.

As more and more items are recycled in the private sector, the prices paid for recycled items will continue to drop and impact gross revenue. This trend has continued for several years, and is not expected to change until the demand for recycled content items approaches parity with the supply of recycled materials. Efforts by the United States to require more federal procurement of recycled content items will eventually assist in raising prices. Also, DoD's Pollution Prevention Measure of Merits program includes a systematic reporting mechanism for recyclables and solid waste disposal which should increase the quantities of those materials that installations are successfully selling.

Installations with approved Qualified Recycling Programs (QRP) are allowed to keep the net proceeds of recycling sales (after expenses) for use by commanders for pollution abatement, energy conservation, and occupational safety and health projects. Up to 50 percent of the net balance may be used by commanders in these areas. The balance (a minimum of 50 percent up to 100 percent if the commander does not fund the first group) may be turned over to MWR.

Any balance in the installation suspense account in excess of \$2M at the end of a fiscal year must be returned to the U.S. Treasury. Prudent commanders will ensure that funds are distributed from the suspense account in a timely manner, and that all recyclable items with a positive return (sale price less expenses) are handled by the QRP. Negative items (those where prices received are less than the expenses of handling) can also be recycled by other means and other offices to ensure credit is received toward meeting the Measure of Merits' goals. This can maximize overall installation recycling while not acting as a detriment to the QRP.



Fort Benning hosts a wide range of electronic amusement games for patrons to choose from.  
- Photograph courtesy of USACFSC Business Programs



Chiemsee Lake Hotel  
- Photograph courtesy of AFRC-Europe

## Army Recreation Machine Program

Combined ARMP revenues were at an all-time high of \$123.4M for FY01. Slot machine revenues continued to rise slightly, up 0.54 percent or \$599K, to \$112.4M. Amusement machine revenues rose 13 percent or \$1.3M, to just under \$11.0M. Program benefits were 1.5 percent above FY00, with a distribution of net income to the AMWRF and participating MACOMs of \$74.3M and direct reimbursement to host facilities of \$27.1M.

Slot revenues in Korea continued to increase, while Japan revenues decreased slightly. Slot revenues in Europe continued to decline, although increased revenues in the facilities fielding the coinless/cashless test systems offer promising results for the expansion of the new technology and associated games.

The amusement machine program expanded at Fort Campbell, Ky.; Baumholder, Schweinfurt, Giessen, and Bad Kreuznach, Germany; Camp Zama, Japan; and Camps Long and Eagle, Korea. The ARMP also installed machines in Brussels-NATO and expanded cross-service partnerships to Parris Island Marine Corps Recruit Depot, Beaufort Marine Corps Air Station, S.C., and Hickam Air Force Base, Hawaii. The ARMP/AAFES partnership expanded to Okinawa, Fort Campbell, Ky., and Altus Air Force Base, Ok.

The ARMP continues to focus on maximizing profits and operating efficiencies. The ARMP eliminated 9 percent of the slot fleet to prepare for the installation of new gaming machines in FY02. The amusement machine fleet increased 13 percent to expand support to additional communities. The program continues to use careful game selection and frequent rotation to maximize profits.

The ARMP field tested 14 new cashless/coinless gaming systems in FY01. Based on system reliability and customer acceptance, a system using computer chip-embedded smart cards for play and a fully automated kiosk for card purchase and redemption was selected as the cashless gaming system for the ARMP. This new technology will ensure program efficiency, flexibility, and profitability in the future, with savings in labor for both the ARMP and host facilities by eliminating coins. The ARMP will begin system installation at 19 more locations in FY02, and by the end of FY02 more than 50 percent of slot revenues will be earned on machines with this system. The program will continue to test on-line amusement machine tournaments, virtual reality games and state-of-the-art digital jukeboxes.

## Armed Forces Recreation Centers

The Department of the Army operates four AFRCs that offer quality resort-destination vacation opportunities to members of the total defense force at significant savings compared to similar facilities in the private sector.

- > AFRC-Europe (Bavaria, Germany)
- > Dragon Hill Lodge (Seoul, Korea)
- > Hale Koa Hotel (Honolulu, Hawaii)
- > Shades of Green (on WALT DISNEY WORLD® Resort, Orlando, Fla.)

The AFRCs are extremely popular, registering combined occupancy of 92.4 percent in FY 2001, and generating \$25M NIBD on \$117.9M net revenue — both record levels.

In FY01, senior Army leaders approved a plan to proceed with a 299-room expansion of the Shades of Green and construction of a 330-room hotel in Garmisch, Germany to replace the existing inventory of hotel rooms in AFRC-Europe. The combined investment to complete these projects will exceed \$150M, of which \$135M will be borrowed commercially. Cash generated by all four AFRCs will service the commercial loan. This will be the first NAF construction initiative funded in this manner.



## Army Lodging



Fort Leonard Wood Lodging



Kure Lodging



Fort Buchanan Lodging



Camp Zama Lodging

### 2001 Army Lodging Awards

Small Category	Kure Lodging, Japan
Medium Category	Fort Buchanan, Puerto Rico
Large Category	Camp Zama, Japan
Super Category	Fort Leonard Wood, Missouri
Employee of the Year	Jeffrey Rainwater, Fort Hood
Manager of the Year	James Nunley, Fort Leonard Wood

Figure 4-8

The Army Lodging Program continues to build on several initiatives launched in FY00. The first iteration of Phases II and III of the five-phased Army Lodging Wellness Plan provided complete marketing and architectural assessments on the top ten lodging projects identified by the Pre-capital Investment Review Board. The assessments are used to position installation projects for funding in the first iteration of Phase IV of the Wellness Plan. Approximately \$54M will be available for execution during the FY03-05 program years. Prioritization of projects for funding will be addressed at the January 2002 Capital Investment Review Board. The top ten projects will be prioritized at the January 2002 CIRB. Future construction priorities will also be reviewed in 2002.

In addition to a product standardization initiative begun in FY00, the USACFSC tested leveraged purchasing at the November 2000 International Hotel, Motel, and Restaurant Show. Using quantity and show discounts, a consolidated purchase of \$460K for televisions and microfridge products saved \$28K, or six percent over currently contracted vendor "best prices." Product expansion for the November 2001 IHMRS consolidated purchase should result in greater savings, with estimated purchases of \$2M on eight categories of capital items ranging from furniture to luggage carts. Another initiative to leverage purchasing power was instituted by the mandatory purchase of standardized toilet and facial tissue products through the Joint Services Prime Vendor Program, saving lodging activities 30 to 40 percent on in-room paper items purchased through the program.

To improve communication, a joint AAFES/Army Lodging partnership for telecommunications support was tested at Fort Sam Houston, Texas and Wiesbaden, Germany. This comprehensive, state-of-the-art-system includes long distance, Internet, and satellite television services via Sprint contract with AAFES. Site surveys support continued fielding at four additional sites. In automation, the Army Lodging Property Management System became the first commercial off the shelf software package to complete the system security authorization agreement process, receiving accreditation in May 2001.

Army Lodging's professional development program continued to flourish by expanding a training partnership with Pennsylvania State University. Standardized position and staffing guides were also developed for lodging activities, with line-level position guides and standardized performance standards due in FY02.

The Lodging Success Program has steadily grown since its establishment in 1994. In 2001 the Army Audit Agency reviewed the program's effectiveness and determined that it saved \$3M annually in government travel dollars. The AAA also concluded that the LSP has the potential to double those savings by expanding program marketing. An aggressive marketing campaign is planned in 2002.

## NAF Contracting

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The goal of NAF contracting in support of the Army and DOD is to provide customer-focused contract management services that add value to MWR programs.

Major FY01 contracting and procurement efforts included the following:

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Implemented a worldwide standard NAF Contracting System/PRISM Web. Nearly 200 contracting personnel received hands-on classroom training. Training on-line and through tri-fold brochure was available for requesting activities and "approvers" in the system. Implementation of the system continues at installations in FY02.

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Executed six Army MWR construction projects valued at \$10.1M. Ten projects totaling \$24.6M were completed and placed under warranty. Twenty-four projects valued at \$143.3M are in various stages of preaward, including the expansion of the Shades of Green on WALT DISNEY WORLD® Resort and a lodge at Fort Eustis.

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Executed seven construction contracts for \$20.3M and completed and placed under warranty 18 projects worth \$46.2M in support of Navy MWR, NEXCOM, and the USMC.

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Obligated \$1.2M for project design and development, project validation, and cost estimates.

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Awarded a public-private venture contract for a car wash at Ft Bliss, Texas, and administered seven privatization contracts to include the Hotel Thayer, N.Y.

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Administered 19 joint services prime vendor program contracts, with 185 worldwide participants, valued at \$80M per year.

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Provided support for procurements over installation warrant levels, to include orders for U.S. 8<sup>th</sup> Army fitness equipment worth \$650K.

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Administered contracts for DOD NAFIs to use, such as a 2001 NFL Sunday Ticket with DIRECTV at no cost (an estimated cost avoidance of \$600K) and the NTN Entertainment Network.

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Administered Lodging Success Program contracts in support of Army travelers and the Aetna U. S. Healthcare contract on behalf of DoD NAFIs.

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Expanded consolidated contracts and product standardization efforts to leverage Army buying power and achieve greater savings with quality products and services.

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Awarded more than 700 contracts valued at \$28.1M in support of MWR programs and information technology.

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Conducted a pilot consolidated buy for Army Lodging at the International Hotel, Motel, and Restaurant Show in November 2001, yielding savings in excess of \$28K and validating the continuation of the program.

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Provided program coordination for the Armywide NAF purchase card program for approximately 6,300 cardholders with total purchases of \$93.7M.



Fort Bragg's new Landmark Inn is one of the three new PPV hotel projects now open to serve Army travelers.  
- Photograph courtesy of USACFSC Lodging

## Public-Private Ventures

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The goal of the Army's MWR Public-Private Ventures program is to secure private sector expertise to deliver MWR facilities and services and to decrease the burden on Army funds. The Asset Management/Privatization office is the sole Army agency given this responsibility. The program benefits commanders who need an MWR facility but lack the funding to provide a needed service to Soldiers and families. PPV's are the right tool to meet installation needs with the expertise of private developers to build a state-of-the-art facility.

The Fort Carson Car Wash, the Army's first PPV project, continued in FY01 to exceed its estimated cash payment to the installation by almost 235 percent. The venture has proven to be such a success that the installation is planning to expand the current project beyond its original scope.

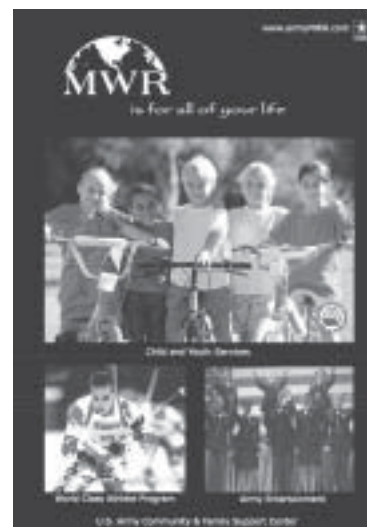
Three PPV hotel projects opened in FY01 at Forts Bragg and Irwin and Hunter Army Airfield. These hotels provided 455 guest rooms at a combined savings to NAF construction of \$31M. The Army's contribution for construction costs of these facilities was \$0. Over the next 25-35 years of operation (length of the lease), these facilities will provide even greater savings, as the costs to operate, maintain, and upgrade are the responsibility of the developer. A fifth contract, a car wash at Fort Bliss, was also awarded in FY01 with an estimated capital avoidance cost to the government of \$700K.

## STRATEGIC COMMUNICATIONS

From an active duty soldier, to a spouse, from an Army Reservist to a retiree, from an Army MWR civilian employee to a Congressman, from a soldier's child to Americans at large, the message that the Army cares for soldiers with an umbrella of MWR benefits is the centerpiece of a new strategic communications effort.

In FY01, the Army unveiled a multi-level approach to build a cohesive brand identity for MWR. The first stage increased the visibility of MWR programs and services with an advertising campaign featuring distinctly different aspects of MWR. The campaign drew attention to the diversity of MWR support and the audiences it serves. Ads appeared in installation newspapers, government-oriented publications, and Internet outlets with the tagline, "*MWR is for all of your life.*" To expand the exposure, advertising artwork and related news releases were distributed to installation and MACOM marketing personnel, as well as to the Guard and Reserve.

The second stage will focus on implementing intermediate and long-term strategic communications plans to pull together the wide variety of MWR program and service categories under an umbrella image with which all audiences can identify. The corporate communications firm of Hill and Knowlton will assess the perceptions of MWR in the eyes of key customer groups and construct a core communications framework to establish a clear, consistent brand identity for MWR. Using this framework, work in FY02 will focus on crafting the strategic communications plan.



## Marketing

MWR marketing initiatives for FY01 included a series of "*MWR – Here When you Need Us*" advertisements in support of installation efforts to increase patronage following the September 11<sup>th</sup> attacks. Marketing also provided program-specific research, assistance, and general marketing support/training to program proponents, MACOMs, and Army installations; examples include focus groups, web-based and e-mail surveys, a centralized customer/guest feedback system for AFRCs, and support to MACOM web development.

The USACFSC hosted Armywide marketing training where private industry experts delivered graduate-level marketing instruction on electronic media, quantitative measurement, use and impact of color, and a panel comprised of marketing and public affairs staff. Marketing information was delivered directly to MACOMs, installations, and other services via a monthly e-mail publication, *TIDBITS*, that includes research on families; child and youth; food, beverage and entertainment; leisure, hobbies, and skill development; internet/computers; sports and fitness; and travel/tourism.

An Indefinite Delivery Indefinite Quantity contract was established for USACFSC web development and the redesign and hosting of [www.armymwr.com](http://www.armymwr.com). Web content was expanded for the Army family to include Soldiers, family members, civilians and retirees. *Star Notes* and *Up Front and Center* were established as eZines to connect directly to repeat website customers.

The USACFSC began preparations for the fourth iteration of the Leisure Needs Survey, focusing on leisure activity participation, use and perceived quality of MWR programs and facilities, and program and facility user profiles. LNS data feeds into the 5-year program planning process and the ISR III process, eliminating the need to conduct additional local level surveys to measure customer satisfaction. The next iteration of the LNS may be conducted electronically (e-mail/web-based).

## Corporate Sponsorship and Advertising

Army sponsorship and advertising has two missions: generate revenue for MWR programs and events and assist field operations through training and national partnerships to increase installation sales. An annual training conference is an integral component of field assistance and fulfills professional development requirements for sponsorship managers. In August, the USACFSC conducted sponsorship and advertising training in conjunction with marketing. Conference attendance was higher than ever before and included representatives from all of the services, NASA, and Army Public Affairs. The schedule included joint sessions with marketing and sessions on sales strategies and techniques, Internet advertising, and client presentations.

The Army sponsorship and advertising program continues to lead the military in total sales revenue, both cash and in-kind (products and services). In FY01, sponsorship and advertising sales Armywide totaled \$4.2 million in cash and \$5.8 million in products and services.

The Army established relationships with new corporate clients and explored other sponsorship opportunities in FY01. The team hopes to capitalize on these initiatives in 2002. The Army also renewed sponsorship agreements with current clients to continue partnering with MWR programs and events, such as the Army Concert Tour, the BOSS Commissary Awareness Campaign, Business Program's Themed Restaurant Grand Openings, and the Army Soldier Show. Many installations use sponsorship with a variety of programs and events. Most common were July 4th festivals, Oktoberfests, MWR golf tournaments, concerts, and fun runs.

The Army also renegotiated a phase of its franchise-advertising agreement. With the franchise-advertising agreements, the USACFSC negotiates the agreement with the client while participating installations worldwide execute the benefits and receive a portion of the revenue. This initiative has benefited the Army, local installations, and the corporate client.

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## Public Affairs

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The public affairs mission is to “tell the story of Army MWR” to internal and external audiences through print, broadcast, and electronic media. In September 2001, PA released an MWR orientation compact disc featuring a video introduction and a tour of MWR activities such as Dining and Nightlife, Recreation and Travel, Arts and Entertainment, Taking Care of Families, Putting Kids First, and Army Culture. Although targeted at internal military and external civilian audiences, the U.S. Army Recruiting Command uses it to describe the benefits of joining the Army to American youth and their families. An initial distribution of 10,000 CDs to installations and USAREC was followed by 4,100 to recruiting battalions nationwide.

Highlights for FY01 included the following:

Published six bimonthly issues of Feedback: four 28-page, one 24-page issue, and one 32-page issues. Printed 42,600 copies (up from 37,000 in FY00) at an average per copy cost of \$1.19 (down \$.03 from FY00).

Generated 62 press releases, news stories, and features. Selected stories were published in *Parks and Recreation* magazine (National Recreation and Park Association), *Spotlight Newsletter* (American Association of Community Theatres), *Recruiter Journal* (U.S. Army Recruiting Command), CincHouse.com, *Army Times*, and *Soldiers* magazine.



Produced and aired 64 television news releases, 62 radio stories, and 22 installments of “MWR Break,” a 3- to 5-minute radio feature for Soldiers Radio and Television. Special projects included Soldier Show video promotion tapes and footage for an MWR orientation video produced by the U.S. Army Visual Information Center.

Provided media training to members of the Army World Class Athlete Program for the 2002 Winter Olympic Games. Published and distributed a 20-page *Guide to Media and Public Relations* and a pocket-sized laminated card with media tips and command messages.

Following the events of September 11, fielded more than two dozen media queries from the *Washington Post*, *USA Today*, *People* magazine, NBC/CBS/ABC/Fox network affiliates, ESPN, the Today Show, and CNN focused on the status of Army World Class Athletes training for the 2002 Winter Olympic Games. Reporters asked if WCAP soldiers would deploy or would have to give up their Olympic dreams. Command message: WCAP athletes are soldiers first.

Developed and distributed hard copy and electronic press kits for the 2001 U.S. Army Soldier Show, providing advance publicity for 100 performances at 49 installations in 24 states, the District of Columbia, Guam, and the Republic of Korea, generating audiences of more than 120,000.

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## Management Information Systems

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FY01 was a significant year for the implementation and fielding of MWR management information systems. Specific highlights included the following:

Time Labor Management System efforts in FY00 focused on enhancements for local national payroll in 8<sup>th</sup> Army.

Financial Management and Budget System (FMBS) version 2.0 was deployed to one OCONUS site and two CONUS locations. All installations and MACOMs can now prepare and submit budgets over the Internet.

Recreational Tracking System (RecTrac!) Version V2 continued deployment and was completely installed at 76 installations worldwide. This is a system that provides facility and activity reservation and registration, league and tournament management, and a point-of-sale system for rentals and snackbars. Standard codes were also implemented. More than 2,600 users were also trained in FY01.

Golf Tracking System (GolfTrac!) Version V2 began fielding, with 9 systems completed.

Child and Youth Management System was fielded to 26 installations. This is new application with complete implementation scheduled for FY02.

The Internet version of the Standard Management Information Reports for Finance (SMIRF) was implemented Armywide implementation in 2<sup>nd</sup> Qtr FY01.

Testing began for a web-based requisition module of the Standard NAF Automated Contracting System. Five sites were implemented: 2 in CONUS and 1 each in USAREUR, 8<sup>th</sup> Army, and USARPAC.

A MIS Configuration Control Board began a process reengineering effort to migrate toward requirements of the Clinger-Cohen Act, the Paperwork Reduction Act, and the Government Paperwork Elimination Act, that require Enterprise Architectures. Work on the operational architecture (deployed) began.



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